HELSINKI SCHOOL OF ECONOMICS
Faculty of International Business

INTERNATIONAL MARKETING OF HIGHER EDUCATION INSTITUTIONS - RECRUITMENT OF INTERNATIONAL DEGREE STUDENTS

A COMPARATIVE ANALYSIS OF BUSINESS-ORIENTED HIGHER EDUCATION INSTITUTIONS

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ABSTRACT

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A COMPARATIVE ANALYSIS OF BUSINESS-ORIENTED HIGHER EDUCATION INSTITUTIONS

PURPOSE OF THE STUDY
The purpose of the study is to find out if, how and why marketing strategies of business oriented higher education institutions in Europe differ and how these differences show in higher education institutions' promotional efforts towards potential international degree students. The problem is that there is no clear understanding of the strategies, behind the marketing and student recruitment efforts of higher education institutions.

DATA
The data for this study is comprised of answers to a questionnaire that was sent to the academic members of the Community of European Management Schools (CEMS) as well as websites of these CEMS-schools. In addition to this, an extensive literature review was conducted to establish the environmental setting in which higher education institutions operate in Europe.

RESULTS
Higher education has become a commercial product in many ways and the demand for higher education has increased significantly in the last couple of decades. Higher education systems in different countries can more easily be compared due to European co-operation in educational politics. Together with increased demand, the number of higher education providers has also increased. This has meant that institutions have been forced to engage in marketing activities.

The main finding was that even if higher education institutions are in a comparable competitive situation within their countries and operate in the same field, there are differences in their marketing strategies. Some of these differences can be contributed to different strategies as such, but many stem from differences in national cultures, languages and political and legal environments.

KEYWORDS
Higher education, higher education institutions, international student recruitment, business education

Helsingin kauppakorkeakoulu 13.4.2008

Pro Gradu -tutkielma
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TIIVISTELMÄ

KORKEAKOULUJEN KANSAINVÄLINEN MARKKINOINTI – KANSAINVÄLISTEN TUTKINTO-OPISKELIJOIDEN REKRYTOINTI
VERTAILEVA ANALYYSI KAUPPATIETEELLISISTÄ KORKEAKOULUISTA

TUTKIMUKSEN TARKOITUS
Tutkimuksen tarkoituksena on tarkastella, eroavatko eurooppalaisten kauppatieteellisten korkeakoulujen kansainväliset markkinointistrategiat toisistaan, ja mikäli näin on, miten nämä erot ilmenevät korkeakoulujen potentiaalisille kansainvälisille tutkinto-opiskelijoille suunnatussa markkinoinnissa. Tutkimusongelmana on se, että korkeakoulujen markkinointi- ja opiskelijarekrytointistrategioista ei ole selkeää kuvaa.

AINEISTO
Tutkimuksen aineisto koostuu Community of European Management Schools (CEMS) –yhteisön akateemisista jäsenistä koostuvan joukon korkeakouluille tehdyn kyselyn vastauksista sekä näiden korkeakoulujen www-sivuista. Näiden lisäksi pyrittiin luomaan kuva eurooppalaisesta korkeakouluympäristöstä, jossa korkeakoulut toimivat, laajan kirjallisuuskatsauksen avulla.

TUTKIMUKSEN TULOKSET
Korkeakoulutus on kaupallistunut ja korkeakoulutuksen kysyntä on kasvanut merkittävästi viimeisten vuosikymmenten aikana. Eurooppalaisen koulutuspoliittisen yhteistyön ansiosta korkeakoulujärjestelmien vertailu on helpottunut. Myös korkeakoulutuksen tarjonta on kasvanut yhdessä kasvaneen kysynnän kanssa. Tämä on pakottanut korkeakoulut markkinoimaan itseään.

Tutkimuksen olennaisimpana löydöksenä oli, että huolimatta siitä, että korkeakoulut toimisivatkin kansallisesti verrattain samanlaisessa kilpailutilanteessa ja samalla tieteenalalla, niiden markkinointistrategiat eroavat toisistaan. Korkeakoulujen strategiset ratkaisut selittävät osan näistä eroista, mutta monet erot johtuvat kansallisten kulttuurien ja kielten eroista sekä kansallisista poliittisista ja lainsäädännön eroista.

AVAINSANAT
Korkeakoulutus, korkeakoulut, kansainvälisten tutkinto-opiskelijoiden rekrytointi, kauppatieteellinen koulutus

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1 INTRODUCTION

1.1 Background

International trade in higher education includes the export and import of textbooks and other educational publications, educational systems, examinations, equipment and hardware, engineering, construction and equipment [Liston and Reeves, 1985]. The most visible aspect of this trade is foreign students. (Bourke 2000, 110)

Higher education (HE) has become a commercial product in many ways and the demand for HE has increased significantly in the last couple of decades (van der Wende 2003, 193). In her study, Lenton (2007) analysed the value of UK education and training exports. In the UK alone, the total value of the exports of education were £8,640.2 million; when private sector training, consultancy and educational-related goods and services were added, the total value of exports for the industry amounted to £27,771.5 million. Higher education tuition fees grew 14,8 percent and higher education other spending (e.g. living costs) grew 19,5 percent over 12 months from 2002–03 to 2003–04 (Lenton 2007, 4). Similar, up-to-date data on the whole of Europe is hard to find, but the UK figures clearly state that HE is not by any measure a small industry.

In 2004, 2.7 million tertiary students were enrolled outside their country of citizenship. This represented an 8 percent increase in total foreign student intake reported to the OECD and the UNESCO Institute for Statistics since the previous year. The student flows are not balanced between countries of regions, however. France, Germany, the United Kingdom and the United States receive more than 50% of all foreign students worldwide (OECD 2006, 283). Also Australia has joined these countries as a major HE-provider (Mallea 2001, 12). In Europe, although most countries have a more or less balanced situation, one can see a clear imbalance between the exporting and importing countries (Figure 1)

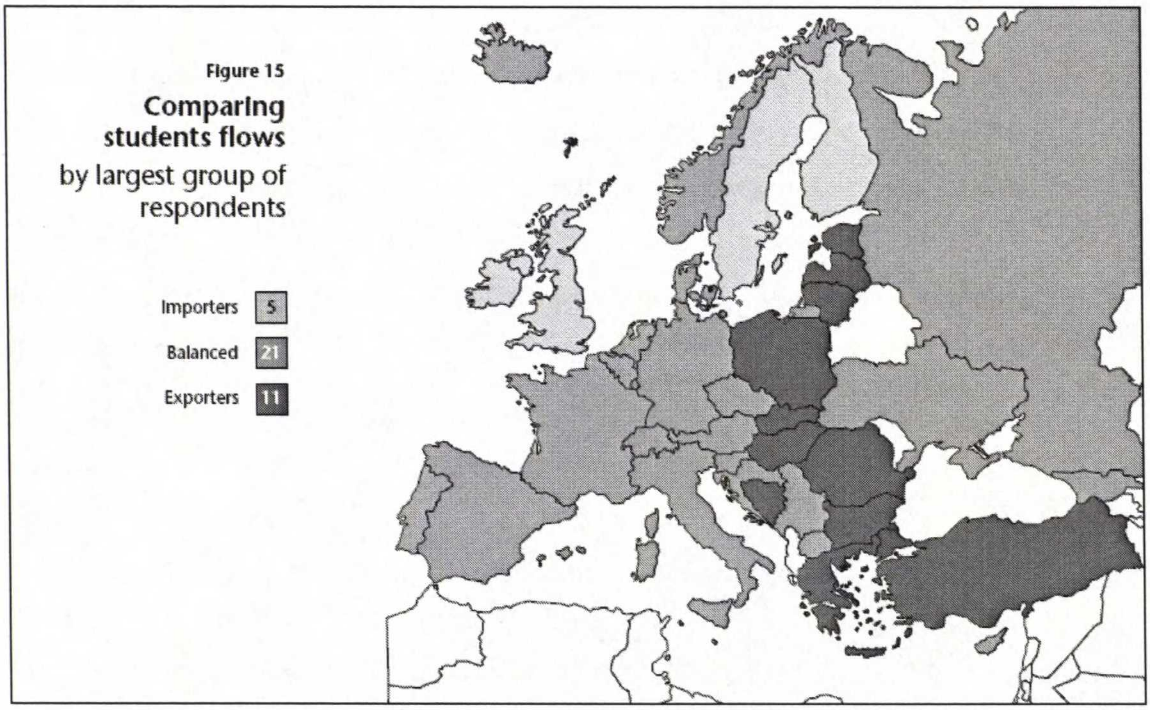

Figure 1: Comparison of student flows between countries (EUA 2007, 42) (Importers: Sweden and Finland join Ireland and the UK, along with Malta)

Applying the GATS treaty to HE has been under debate in the past years and HE has been restructured so that different HE systems in different countries can more easily be compared (van der Wende 2003, 196-202). One of the most comprehensive examples of these efforts to create comparability in HE can be found in Europe, where the so-called Bologna Process has been in progress since the signing of the Bologna Declaration on June 19th, 1999. With the Bologna process, a three-tier degree-structure has been introduced; this involves a first, second and third cycle, or bachelor's, master's and doctoral level. Degrees are more transparent and can be more easily compared. Also a credit transfer and accumulation system has been implemented to improve mobility and a European register for quality assurance is being built in order to facilitate trust and recognition between higher education institutions (HEIs) and their degrees. These measures all aim at increasing mobility of students and workers, improving recognition of prior learning and degrees and in the end, facilitating the emergence of a European higher education area (EHEA). (Ministerial Declarations and Communiqués on Bologna process 1998-2007)

On the financial side, the HEIs have struggled and are struggling with increasing student numbers and, at least in relative terms, diminishing public funding (e.g. EUA 2007, 6; ESU 2005, 2-3). This has led HEIs, governments and other stakeholders, e.g. the European Union (EU) to look for alternative sources to cover the funding gap (European Commission 2006a, 7). Different sources can be found from co-operation with surrounding community and businesses as well as from HEIs' own enterprises, but in addition, students are increasingly seen as a source of income in countries that allow charging of tuition fees (European Commission 2006b, 7). As the economies of Europe are developing towards a more knowledge intensive direction, education has become one of the few ways of, if not guaranteeing, at least significantly increasing individuals' chances for better future employment and income (European Commission 2006b, 7).

Together with increased demand, the number of HE-providers has also increased. This means that HEIs have been forced into considering the attractiveness of their offerings and in general engage in marketing activities, whether they like it or not. According to Hayes (2007, 927) the marketing of higher education emerged in the mid-1980s as a by-product of marketing in health care services. Litten, in his article in 1980 (1980, 41-42), notes that HE had already long been engaged in marketing activities, such as the development of services, as well as promotional activities, but the explicit use of the terms "marketing" and "market research" entered the world of academic administrators in the early seventies.

Business-oriented HE has been one of the fields that has experienced a very dramatic increase in both demand from potential students and supply from HE providers. The reasons can be many; from the relative cheapness of business education compared to more technology-oriented fields with more infrastructure demands to the increased demand for business know-how in the labour markets.

There are many reasons for HEIs to promote themselves both domestically, but increasingly also internationally, and this offers an interesting topic of study. Much research has been conducted on marketing, both domestic and international, and also on

HE. Research also exists concerning marketing of HE, but not as much as the two themes separately.

The aim of this thesis is to analyse the differences and similarities of marketing strategies of business-oriented HEIs, especially members of the Community of European Management Schools (CEMS).

This thesis looks at HE in general, but HE focusing on economics and business administration in particular. The geographical focus is in European business-oriented HEIs. The focus has been selected firstly because the entire scope of HE would be too wide to discuss in any one thesis, and secondly because business education is a relatively generic field of HE, mostly because of the international nature of business and economics. Europe was chosen because the structures have become more and more comparable because of the Bologna process, and because the educational policy of the EU affects all EU countries in the same way.

1.2 Definitions

Higher education (HE): In this study HE refers to education given on the tertiary level in universities leading to a first or second cycle or level degree. These degrees are referred to as Bachelor's (BSc) or Master's (MSc) degrees. This definition leaves out education given by other HEIs than universities (e.g. polytechnics) as well as education given by universities leading to doctoral degrees or to other degrees such as MBAs etc.

Higher education institution (HEI): in this study, an institution providing higher education. See above.

1.3 Research problem

As stated, there is a wide body of literature on marketing and HE as well as literature on HE-marketing, but literature alone can only take one so far and empirical testing is needed to see how the theories fit the present situation in Europe. The question, therefore, is if, how and why marketing strategies of business oriented HEIs in Europe differ, and how these possible differences show in HEIs' promotional efforts towards potential international degree students. The problem is that there is no clear understanding of the strategies behind the marketing and student recruitment efforts of HEIs.

1.3.1 Research questions

The following research questions are used to address the research problem:

1) Are there differences in HEIs' student recruitment strategies and what is/are the cause of these differences?
2) How do the possible differences manifest themselves in international marketing efforts of business-oriented HEIs?

To answer these questions the following sub-questions were formulated:

1) What are the environmental trends affecting HE and HEIs?
2) If the HEIs have a formulated recruitment strategy, does it differ between first and second cycle degrees and between domestic and international students?
3) On what basis do the HEIs admit students and how do the admissions criteria reflect the strategy?
4) How do HEIs promote themselves internationally and do the promotional efforts differ between first and second cycle degrees?
5) Do the strategies and their implementation differ between HEIs and to what degree can the differences be contributed to HEIs' own decisions and to what degree to environmental differences, beyond HEIs' control, between countries?

1.4 Limitations

The scope of this study is limited to the student recruitment strategies and marketing efforts of European university-level higher education institutions with business-oriented degrees, leaving out non-university level HEIs (e.g. polytechnics) and for-profit HE-providers. The main focus is on students completing a full degree in MSc or BSc programmes in business, leaving out non-degree students, for example exchange students or students in programmes such as MBAs or BBAs. A more detailed study is conducted on HEIs that are members of the Community of European Management Schools (CEMS).

1.5 Preliminary theoretical framework and structure of the study

The framework for this thesis is a classic framework that is used by many authors (e.g. Kotler & Armstrong 2001, 69; Czinkota & Ronkainen 1995, 21) in describing the marketing process or marketing effort of an organisation. (Figure 2)

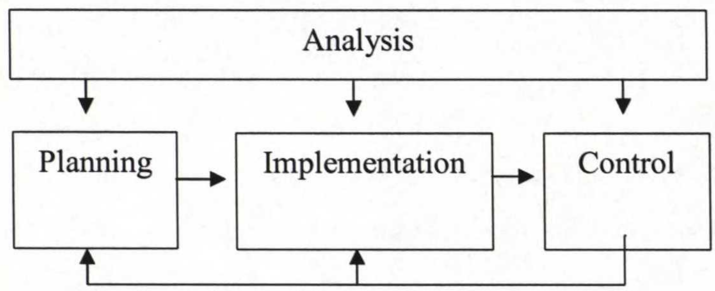

Figure 2: Stages / efforts of the marketing process (adapted from Kotler & Armstrong 2001, 69)

The stages or efforts of the marketing process are divided as follows:

1) Marketing analysis

   Analysis is the overriding activity that provides information to the other three activities. In the marketing analysis stage the organisations' micro-environment can be viewed through a SWOT (strengths, weaknesses, opportunities and threats) analysis and the macro-environment through a PEST (political, economic, social and technological) analysis.

2) Strategic marketing planning

   The strategic marketing planning stage draws the marketing strategy from the organisations' overall strategy and market analysis. Marketing strategy takes a position on market selection and marketing mix. This strategy is then laid out as a marketing plan.

3) Marketing implementation

The implementation effort is the actual carrying out of the plan. The implementation depends on how well the organisation is structured and managed to perform the strategy of the organisation.

4) Marketing control

   Control effort is the measurement and analysis of the implementation mirrored against the plans. It is not only about looking whether the plans were successful, but also about observing and analysing the dynamics of the marketplace.

This framework is used especially in the literature review to help conceptualize and construct a review that takes all the elements of the marketing effort into consideration. Through this conceptualization, different elements of marketing and HE that are discussed in the literature can be brought together in an organized way.

After, and based on, the literature review, a final framework identifying the dependent and independent factors is constructed. Then, with the help of the framework, marketing efforts and student recruitment of HEIs of the CEMS network are analysed. Finally, some conclusions and suggestions for further research are made.

2 REVIEW OF LITERATURE

In this chapter, literature on marketing as well as marketing of higher education is reviewed. The review is divided into four parts, following the categorization of the preliminary theoretical framework:

1) Marketing analysis
2) Marketing planning
3) Marketing implementation
4) Marketing control

Under each of the four parts the literature is reviewed from an international marketing point of view. Also the literature on relating to marketing of higher education in general and literature relating to higher business education in particular is reviewed under each part. After the literature review a more thorough theoretical framework is constructed.

2.1 Marketing analysis

Marketing analysis is, on one hand, analysis of the organisations' own strengths and weaknesses and, on the other hand, an analysis of the external environment that affects organisations' operations (Kotler & Armstrong 2001, 69). It can be said that a good analysis of oneself and the surrounding world is a key to a successful operation. Analysis of a company's internal strengths and weaknesses is crucial for self-knowledge and organisational and management issues of a company can only be addressed based on this internal analysis. The surrounding environment also has a large effect on organisations, because they do not operate in a vacuum. The marketing environment can be defined as "the actors and forces outside marketing that affect marketing management's ability to develop and maintain successful transactions with its target customers." (Kotler & Armstrong 2001, 87).

In their study of the literature on background and conceptualization of the organisation-environment relationship, Zeithaml & Zeithaml (1984, 48-49) notice that traditional organisational theory views organisational performance as dependent on the efficient and effective adaptation of organisational characteristics to its environment. This traditional view has, however, been challenged by numerous writers who argue that organisations can and do implement a variety of strategies designed to modify existing environmental conditions, while acknowledging many internal and external contingencies that may affect an organisation. As examples of this environment modification from the reviewed literature, Zeithaml & Zeithaml (1984, 48-49) list, for instance, company strategies that aim at reducing dependence on suppliers and political lobbying to change regulations affecting companies. Zeithaml & Zeithaml (1984) also point to Porter's (1979, 137) five forces of threat of new entrants, the bargaining power of customers, the bargaining power of suppliers, the threat of substitute products or services, and the jockeying among current contestants, as well as to the strategic choices a company makes to adjust and adapt to the surrounding environment.

The marketing environment can be divided into micro- and macro-environments (Kotler & Armstrong 2001, 88). The microenvironment is defined as forces close to a company; for example the company itself, customers or competitors, and the macro-environment as the forces that affect the microenvironment: e.g. political, environmental, cultural etc. If this classification is used, then the microenvironment can be analysed by the SWOT-model, which considers a company's internal strengths and weaknesses as well as external opportunities and threats. The macro-environment, on the other hand, can be analysed using the PEST-model, which looks at the political, economic, social and technological influences. Also, Bruner (1989, 72-73) identifies the uncontrollable variables of marketing environment as the political, economic, societal, technological, legal and regulatory forces, and these are arguably very similar in classification to the PEST model.

In the following chapters, the environment is examined from a political, legal and regulatory standpoint, with a brief overview of the Bologna process and Lisbon strategy; then from economic and demographic as well as from social and cultural standpoints. After these, an analysis on the higher education industry as well as a "customer" analysis is performed. This review covers all elements of PEST except the technological and natural environment because, for HE issues, these issues are arguably less important compared to an industry that is involved with physical goods. Despite this, the technological and natural environments have a significant impact on organisations' strategies. Issues like the availability of natural resources, the climate, increased pollution, infrastructure etc. are things that have to be taken into consideration (e.g. Czinkota & Ronkainen 2001, 67-71; Kotler & Armstrong 2001, 105-107). These issues, especially technology, are discussed to some degree in the chapter concerning marketing mix.

2.1.1 Political, legal and regulatory environment

Political environment and political systems, as well as different interest groups have a great influence on organisations' activities. The influence of liberal politics and socialist politics are very different. Also the changes in these have a significant impact. Legislation covering such issues as competition, fair trade practices, product safety, environmental protection, advertising, pricing, product standards has an impact. Legislation affecting organisations has only increased around the world over the years (Kotler and Armstrong 2001, 108) and it is worth noting that there is no one political or legal environment, but they vary from country to country (Czinkota & Ronkainen 1995, 101).

As said, the influence of interests groups on politics and public opinion can be significant. Pressure groups and their influence on government policy from an economic point of view were studied by Becker (1983). In his analysis, Becker (1983, 371) stated that governments correct market failures with the view that they favour the politically powerful. He cited Bentley (1908 cited in Becker 1983, 372), who was one of the pioneers of economic approach on political sciences and pluralistic society, who stated that "Pressure... is always a group phenomenon. It indicates the push and resistance between groups. The balance of this group pressure is the existing state of society. Pressure is broad enough to include... from battle and riot to abstract reasoning and sensitive morality". From a wider perspective, it can be argued that all politics is a balancing between different pressure groups and the direction of politics is determined by the relative strengths between these groups. Analysing the dynamics of society as a whole, however, is somewhat beyond the scope of this thesis, but since HEIs and policy and legislation regarding higher education is very much controlled by the governments, this is very important to keep in mind.

There are a number of restrictions that affect organisations operating internationally. Embargoes and trade sanctions, tariffs, quotas and other export and import controls are examples of countries' actions that relate to international business. International law, treaties and agreements also have to be considered, such as the General Agreement on Tariffs and Trade (GATT) and General Agreement on Trade in Services (GATS) of the World Trade organisation (WTO). These international agreements have a very powerful impact on international trade, as have different forms of economic integration that have happened in regional markets e.g. free trade areas, customs unions, or unions like the EU (Czinkota & Ronkainen 1995 51-125).

Related to services and education, Bourke (2000, 113) argues that service activities are subject to greater government regulation than most other activities and that governments employ a variety of strategies to limit the level of services trade (Hindley & Smith, 1984; Riddle, 1985; Sapir & Winter, 1994; Sampson & Snape, 1985 cited in Bourke 2000, 113). Even though there is a development towards liberalization of international trade in services due mainly to developments arising from GATS, there is much evidence to support the argument that major barriers to international trade in higher education still persist. (Bourke 2000, 120).

Regarding HE, these regulations can most clearly be seen in tuition fee policies and arrival controls that affect international HE trade. It is the legal framework that is mostly restricting the pricing of educational services. An example of this can be found in the EU regulations which state that all member states must be treated in the same way. The result of this has, at least in some countries, been the differentiation of tuition fees between own nationals and non-EU/EEA-nationals. It is important to note that government policies do not only affect the pricing of services. Governments are also balancing the price-effect by offering different kinds of incentives and increasingly promoting their HE-system and country towards potential students. (Bourke 2000, 120; Hemsley-Brown & Goonawardana 2007, 942).

While fees are important, it has been shown that the incremental costs of studying abroad (accommodation, health benefits, living expenses) are very important issues in students' decision-making regarding overseas studies (Bourke 2000, 120). Policies and bureaucracy relating to entering the country, such as receiving a residence- or work permit and restrictions on welfare, are significant barriers of trade in education and are also considered as costs by the students (Bourke 2000, 121). These obstacles are recognized and addressed by policymakers. In their London Communiqué (Ministerial Declarations and Communiqués of the Bologna process) ministers for higher education noted that among the obstacles to mobility, "issues relating to immigration, recognition, insufficient financial incentives and inflexible pension arrangements feature prominently", and they recognised "the responsibility of individual Governments to facilitate the delivery of visas, residence and work permits, as appropriate."

Even though there are still many restrictions, policies regarding HE are changing in many countries. Several drivers for this change can be identified, but there are two main elements to the growing roles of HEIs: a growth in the volume of their activity and a broadening of the roles they undertake and of their contribution to society (OECD 2007, 11). In many countries, the objective of government policy is increasing institutional autonomy. This can partly be attributed to the broader roles of universities, relatively reduced core funding and increasing market pressures that HEIs face (OECD 2007, 20), but partly also to general political ideologies. Managerial and financial autonomy does not, however, come without accountability. It is argued that "in return for being freed from overregulation and micro-management, universities should accept full institutional accountability to society at large for their results" (European Commission 2006b, 5). The fact that governments are demanding accountability is logical, because in addition to HEIs being extremely important to the economy, the governments are, despite the decline, still primary funders of HEIs: the funding proportion ranges from 20 % to more than 90 % of the total budget, but the large majority lies between 60 % and 90 % (Strehl et al. 2007, 10)

OECD (2007, 10) identifies a combination of circumstances, mainly due to governmental policy, that have impacted HEIs' financial sustainability:

- rapid growth in the volume of higher education activity (i.e. student numbers and research) and in the complexity of this activity (e.g. new types of students);
- core funding from the state has not kept pace with this growth;
- investment in institutional infrastructure has fallen below the levels needed for sustainability;
- public agendas have become more complex and demanding and institutions need to respond to a broader range of stakeholders and interests;
- institutions are exposed to increasing market pressures and are required to differentiate themselves to succeed in a more competitive environment.

2.1.1.1 *Bologna and Lisbon*

Currently there are two significant processes in Europe relating to HE, i.e. Bologna and Lisbon.

The Bologna Process aims at creating a European higher education area (EHEA) with a system of easily readable and comparable degrees, a system based on three cycles of bachelor, master and doctorate levels, the establishment of a credit transfer and accumulation system, promotion of mobility, promotion of European co-operation in quality assurance, promotion of the European dimension in higher education and EHEA as well as facilitation and promotion of lifelong learning (Ministerial Declarations and Communiqués of the Bologna process).

The Education and Training 2010 -work programme is related to the Lisbon strategy of the EU to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion by the year 2010. The EU sees education and training as key elements for the Lisbon strategy and has set the following three main goals that are to be reached by 2010: 1) improving the quality and effectiveness of education and training systems in the EU, 2) facilitating the access of all to education and training systems and 3) opening up education and training systems to the wider world. (Education Council 2002, 3)

As one can see, the processes have mostly similar aims. Where Lisbon looks at the educational system as a whole, covering all levels of the educational system from kindergarten to PhD, Bologna is concentrated on HE. The Bologna process is controlled through biannual ministerial summits and, in the intermittent time, by the Bologna Follow-Up Group that implements the decisions of the summits and facilitates the discussions. The Lisbon strategy is regulated through an open method of coordination (OMC), where indicators are set on the EU level and advances made by different countries are reported in public reports. The core principle of the OMC is "naming-faming-shaming" and political learning, which are, to some degree, results of peer pressure between countries (ESU 2006b, 23).

What is to be noted is that even though many countries are participating in these processes, in neither process do countries or universities move forward at same pace. There are differences in implementation between countries in all action lines of both processes (EUA 2007, ESU 2007, European Commission 2007). It is also good to keep in mind, that while the Education and Training 2010 –work programme is owned by only the 27 member-countries of the EU, the Bologna process has at the moment 46 countries participating in it.

2.1.2 Economic and demographic environment

Demographic environment refers to the way human population varies in terms of size, density, location, geographic mobility, age, gender, occupation, race, ethnicity, income or socioeconomic status and other statistics. These have emerged as reasonably good predictors of buyer behaviour and other market-related activities in both micro and macro contexts and thus have become an integral part of some of the theories and models used in the study of marketing issues (Pol 1991, 53).

An example of how demographic variables influence societies and organisations is the development of age distribution in Europe. In the year 2000, 14,7 percent of the population was aged over 65, and the percentage is projected to reach 23,5 in 2030 (Kinsella & Phillips 2005, 8). This kind of dramatic development in age distribution in Europe will present new challenges to governments and will also have an effect on strategies of organisations. Another example is income distribution, which varies a great deal around the world. Milanovic (2002, 13) studied world income distribution and reported that the ratio between the richest (Western Europe, North America, Oceania countries) and the poorest (Africa) regions was 11 to 1 using GDP per capita in international dollars (PPP) and 8 to 1 using data from household surveys adjusted for the difference in purchasing power.

2.1.3 Social and cultural environment

A challenge facing service enterprises in international markets is the close cultural relationships between a society and the services offered in that society. This can result in services facing a variety of non-tariff barriers that are not generally imposed on goods

(Dahringer, 1991 cited in Mazzarol & Soutar 1999, 290). This arguably holds true also for HE because of the differences in academic cultures of HE-systems and the importance of HE to an individual.

Kale (1991, 18) cites Linton (1945) in defining culture as "a configuration [of] learned behaviours and results of behaviour whose component parts are shared and transmitted by the members of particular society." In his article, Kale (1991) studied the relationship between culture and marketing communication using Hofstedes (1980) classic framework in diagnosing and bridging gaps between buyer and seller engaging in cross-cultural communication. Kale (1991, 18) points out that a large body of literature states the fact that most problems in international marketing communications or promotion arise because of significant cultural differences between countries. Common denominators can be found for cultural diversity. These can be both material and abstract: language, religion, values and attitudes, manners and customs, material elements, aesthetics, education and social institutions (Czinkota & Ronkainen 1995, 132-133). Therefore, if an organisation wants to operate successfully in any country or region, it must be able to take into account and adapt to the local culture.

Culture is not only a hindrance, but can also be a source of competitive advantage to a country. Porter (1990, cited in Bourke 2000, 123) stresses the importance of language as a national resource. This was verified by Bourke (2000, 123) in her study as she noticed that many students opt to study overseas rather than in their own country because the teaching language is English. This was particularly true to students from countries where the national language is not an international one. In the case of HE, the reputation of the host country is an important dimension, because HE is very much a feature of each country and is influenced by the country's culture. Certain countries which have a good reputation with respect to education, and as a result, students believe that HE in those countries is of high quality. What is interesting to note and what testifies to the importance of national image is that, according to studies, intending foreign students initially choose the host country and only after this select the host institution. (e.g. Bourke 2000, 124-125 and Hemsley-Brown & Goonawardana 2007, 942)

Many countries take the promotion of their national system of HE seriously and have a national agency (e.g. CIMO in Finland and British Council in UK) promoting their educational offerings internationally through providing information infrastructure, organizing information flow and organizing and participating in international educational trade fairs. HEIs, secondary level careers counsellors and other societal actors believe that this kind of national promotion by host nations in target markets has a significant influence on country preferences among intending foreign students (e.g. Bourke 2000, 125; Hemsley-Brown & Goonawardana 2007, 942; Raunio 2005, 63).

2.1.4 Higher education industry

Porter's industry forces - the barriers to entry, supplier power, buyer power, threats of substitutes and industry competitiveness - relating to international education were analysed by Mazzarol & Soutar (1999, 289-290). They identified economies of scale, government policies, brand equity and access to capital (mainly government financing) as potential barriers to entry. Supplier and buyer power have been enhanced by the growth of the international education sector and increased student mobility. Substitution threats can be the growth of offshore programmes and the potential for education services to be delivered to students via distance learning. Mazzarol & Soutar also note that competition has increased as the supply of HE has increased throughout the world.

Strategic marketing in HE is believed to become more important because of demographic and economic developments: smaller numbers of young applicants and growing price consciousness of students and parents caused by increased tuition fees. Integrated marketing and projection of a unified brand image is believed to be a focus area in the coming years (Hayes 2007, 929-930). The importance of strategic thinking is also very much increased by the political push towards more autonomy and accountability of HEIs. As the autonomy and accountability of HEIs increases, corresponding changes in their governance and strategic management and a growing focus on their financial sustainability is stressed. The importance of strategy, operating sustainably, investment and risk management is highlighted. (OECD 2007, 25-27)

Even if the importance of strategic marketing is recognized in academia, it is slow in changing and making decisions. At the moment, marketing is mostly understood as promotion where the faculty is the one that controls the product, finance controls the price, and administration controls the service delivery (Hayes 2007, 929). Most HEIs are not commercial businesses and this necessitates a different management style. The distinctive features of HEIs are that they are driven by an academic vision which is not directly related to financial goals. They have a culture of public service and social responsibility that leads them to provide services which might not be regarded as financially viable in business. Academic staff have a degree of autonomy about the direction and focus of their work, and in relation, institutions often lack the ability, and sometimes the will, to manage their costs and performance to the extent that is normal in business (OECD 2007, 26).

The issue of marketing is not difficult for academia only for practical reasons described above. There are also significant ideological barriers for introducing ideas of business into the world of HE. It is argued that bringing marketing principles such as branding into the academia would commoditize and endanger the nature, freedom, integrity and diversity of HE. (e.g. Haeys 2007, 927; Hemsley-Brown & Goonawardana 2007, 942; Gibbs 2002 327; ESU 2006). Also the concept of students as customers is criticized by many (e.g. Barrett cited in Hemsley-Brown & Goonawardana 2007, 942). On the other, hand it has been argued that responsible marketing and branding brings students into educational programmes that are beneficial and rewarding to them and the society, and that the brand image a HEI portrays plays a crucial role in public attitudes towards that institution (e.g. Litten 1980, 43; Hemsley-Brown & Goonawardana 2007, 942).

To balance this debate, Litten (1980, 43) stresses the importance of keeping educational considerations well in focus when marketing HE. Gibbs (2002) argues that although marketing principles work in the education sector to some degree, there is a real need to see education as more than just consumption, and that "marketers need to consciously build ethical sensitivities into their decision-making process and examine larger society issues" (Laczniak & Murphy 1993, cited in Gibbs 2002, 333).

2.1.5 Customer analysis and consumer behaviour

Consumer behaviour can be examined from either an economic or status-attainment perspective, or through models that combine these two. In the economic model, students choose a HEI based on the level of value that each institution offers (Hossler et al., 1999b; Manski and Wise, 1983 cited in Vrontis et al. 2007, 980). In the status-attainment model, potential students reflect on decision determinants developed throughout their life, and behavioural variables of students (such as students' academic performance) and background variables (such as the social status of parents) are weighed upon. Based on the interaction of these variables, the educational ambitions of students are determined. (Sewell & Shah, 1978 cited in Vrontis et al. 2007, 980). Combined models use the sociological aspect of the status-attainment models while simultaneously keeping the decision-making perspective that the economic model offers.

Based on review of literature relating to student-choice and literature on consumer behaviour in developed countries, Vrontis et al. (2007) constructed a conceptual student-choice model of higher education for developed countries (Figure 3). The core of the model is a consumer behaviour decision model where the process starts from "needs recognition" and continues with "search for information", "pre-purchase search for alternatives", "purchasing", "consumption", post-consumption evaluation", leading finally to satisfaction, dissatisfaction or "disinvestment" (Blackwell et al., 2001 cited in Vrontis et al. 2007, 983). This model is tailored for HE by combining the "Purchase" and "Consumption" steps and by leaving "Disinvestment" out, because HE cannot be disinvested. Within each step are factors Vrontis et al. (2007) see as specific for developed countries. The "need recognition" stage is characterized by higher need and motivation. "Information search" has become more complex, efficient and effective. So has "alternative evaluation", which is also influenced by a strong branding effect (also Gavin in Kotler & Fox 1995 cited in Ivy 2001; Aharoni 2000). In the "purchase and consumption" stage, education as experience and technology as an alternative medium of delivery are emphasized. In the "post-consumption evaluation" stage, Vrontis at al. argue along the same lines as Aharoni (2000, 136) that the importance of opinions of current and past clients is increasing.

These stages are affected by environmental, individual and institutional determinants. Affecting all factors and processes are the characteristics and forces relating to the macro-environment of developed countries. The various effects on the business of higher education are listed separately. In other words, Vrontis et al. are applying the environmental PEST-like analysis to the consumer behaviour model.

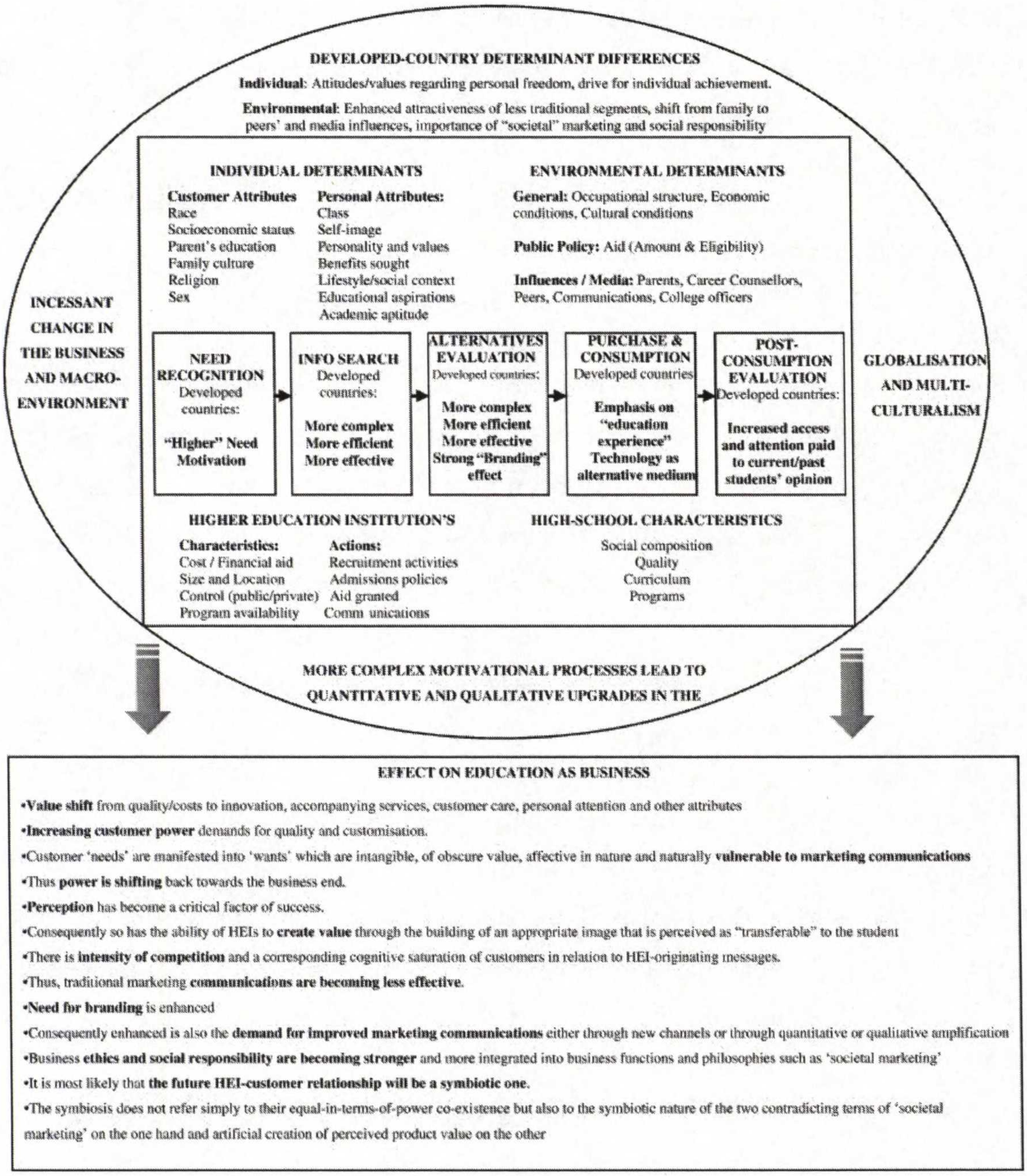

Figure 3: Higher education student-choice model for developed countries (Vrontis et al. 2007, 987)

2.2 *Marketing planning*

Development of organisations' missions, visions and strategies is a topic which is discussed in great detail in strategic management literature, but is, as such, beyond the scope of this thesis. However, a brief overview of the literature is necessary since the development of marketing strategies and plans is closely linked to the overall strategy of an organisation, and because processes of developing a marketing strategy arguably do not differ much from creating the overall strategy.

In addition to vision, mission and strategy, market segmentation and marketing mix are discussed in this chapter.

2.2.1 Vision and mission and strategy

Every HEI needs a strategy which identifies what it exists for and how it can add value to the work that it does (OECD 2007, 28). The importance of a clear mission, vision and strategy for organisations, especially when facing changing condition and uncertainty, has been demonstrated (O'Brien & Meadows 2000, 36). In their study on UK practices on corporate visioning, O'Brien & Meadows (2000) reviewed the literature on visioning and missioning. They found that an organisation's mission is usually associated with a statement of the organisation's purpose, why it exists, what its competencies are, and who benefits from its operations.

There is some agreement that vision and mission are associated with the development of an organisation's strategy, but what is less clear is the relationship between these concepts: some say that a vision is a combination of components, while others say it is a starting point for producing such components (O'Brien & Meadows 2000 36-37). A vision to some is a mission to others and this applies to many academics as well as practitioners. For example, Lipton (1996 cited in O'Brien & Meadows 2000, 36) defines vision "as a combination of mission, strategy and culture, where mission is defined as the purpose of the organisation, strategy as the basic approach to achieving the mission, and culture as the values of the organisation that support the purpose and the strategy." Campbell & Yeung (1991 cited in O'Brien & Meadows 2000, 37), on the other hand, describe mission "as consisting of the four components of purpose, strategy, values and behaviour standards." When practitioners were asked to state reasons for having a vision (O'Brien & Meadows 2000) or mission (Baetz & Bart 1996), the reasons for both were almost identical, namely to give the organisation direction or a common purpose/direction, to assist in strategy, planning and guide decision making, and to help in going above individual or departmental needs.

Minzberg (1994) discusses strategies and the difference between strategic thinking, strategy formulation and strategic planning. He argues that the strategy-making process is about managers synthesizing learnings and information from different sources into a vision of the direction an organisation should pursue. He further argues that strategic programmers should be the ones analysing hard data that strategic thinking requires and, in that way, facilitate and aid in the strategy-making process. Planners can, according to Mintzberg, also act as programmers of strategy, helping to specify the series of concrete steps needed to carry out the vision.

Without going deeper into the development of organisations' vision, mission and strategy, we can conclude that once an organisation has decided on its goals, the strategic planner can start his/her work (Mintzberg 1994, 107) and develop a more or less detailed marketing plan. The plan should contain an analysis of the current market situation, an overview of major goals, objectives for the brand and an outline of the strategy for achieving these goals and objectives (Kotler & Armstrong 2001, 69-71).

Considering HE and HEIs, one should remember that a purely business-oriented model of strategic thinking cannot be adopted because of the nature and culture of academia. The techniques need to be applied in a way that respects and works with the academic nature of HEIs. A strategic plan cannot be solely academically or financially driven, but it is necessary to develop integrated financial and academic strategies for institutions in order to assure a sustainable future (OECD 2007, 29).

2.2.2 Market segmentation and product differentiation

Market segmentation and differentiating organisations' offerings to different segments has been discussed extensively in marketing literature. Smith (1956, 7) emphasises that successful marketing activities require both product differentiation and market segmentation as components of marketing strategy. Dickson and Ginter (1987, 9) add to Smiths' (1956) work in their study and conclude that product differentiation and market segmentation are not alternative strategies. They define segmentation as a "heterogeneity in demand functions [which] exists [so] that market demand can be disaggregated into segments with distinct demand functions" and product differentiation as a "product offering [that] is perceived by the consumer to differ from its competition on any physical or nonphysical product characteristic including price". Because of this, they argue that "product differentiation strategy can be pursued with or without a market segmentation strategy, but market segmentation strategy can be pursued only when product differentiation already exists or when accompanied by a complementary product differentiation strategy"

Major segmentation variables identified by Kotler & Armstrong (2001, 279) are geographic (geographical units e.g. regions, nations, cities), demographic (e.g. age, gender, income, education, nationality, race), psychographic (e.g. social class, life style, personality) and behavioural (e.g. consumers knowledge, attitudes) issues. The implications of these segmentation variables were discussed above in the "market analysis" chapter.

Market segmentation and decisions about the marketing mix are strategic decisions which are crucial in determining the success of an organisation's operation. Litten (1980, 44) discusses positioning, the importance of recognition of difference in students, and segmentation, and points out that these activities can enrich existing concepts of institutional mission in HEIs. Litten argues that if HEIs manage to find unoccupied positions on the market, and if these unoccupied positions are cultivated with a concern for the educational and social desirability of meeting the demands that they represent, diversity can be developed while at the same time maintaining academic integrity. This, he argues, benefits both individuals and society.

2.2.3 Marketing mix

The holistic view of marketing relating to HE is discussed by Bourke (2000, 133) when she says that, in higher education, there is a tendency to equate international marketing with the recruitment of foreign students. She argues that "marketing educational services embraces more than recruitment activities, it includes all actions of the school/college, from the reception of initial student enquiries, and continues on to maintaining contact with its alumni as [...] practitioners, academics or researchers [...] The main challenge for [...] schools (apart from providing good quality [...] education) is to ensure that students enjoy the study experience in the country and at the school, and that they recommend it to their friends back home."

The notion that marketing is not just promotion or advertising, but encompasses a much wider set of activities has spawned a number of conceptualizations. The marketing mix is defined as a set of marketing tools that the firm blends to produce the response it wants in the target market (Kotler & Armstrong 2001, 67). Kotler & Armstrong (2001, 67) group the tools into "4Ps": product, price, place and promotion.

This 4P classification was first introduced by E Jerome McCarthy. It has since faced criticism; for example, the model is not mutually exclusive, but categories overlap with each other. Another cause for criticism is the vagueness of "promotion", in which McCarty included advertising, personal selling, publicity, and finally sales promotion, which is seen as a catch-all category (Waterschoot & Van Den Bulte 1992, 84-85). A revised version of the marketing mix was presented by Waterschoot & Van Den Bulte (1992, 90); in this, they included 1) product mix, 2) price mix, 3) distribution mix and 4) communication mix, which they further divided into a) mass communication mix, b) personal communication mix and c) publicity mix. Each sub-mix is a collection of instruments that aim at achieving aims of the mix. Waterschoot & Van Den Bulte (1992., 90) also included promotion as part of their classification of the marketing mix, but unlike McCarthy, they defined promotional mix as a "supplementary class of instruments that can be split up in exactly the same way as the basic instruments of the marketing mix and are used mostly as tactical adaptations to external circumstances." This means that all elements i.e. product, price, distribution, and communication mixes have a promotional element that is used to enhance the effectiveness of these elements.

Other conceptualizations have also been made based on the 4P model. Bruner (1989) presented the concept of 4 C's, which consisted of Concept, Cost, Channel and Communication variables that overlapped with each other (Figure 4).

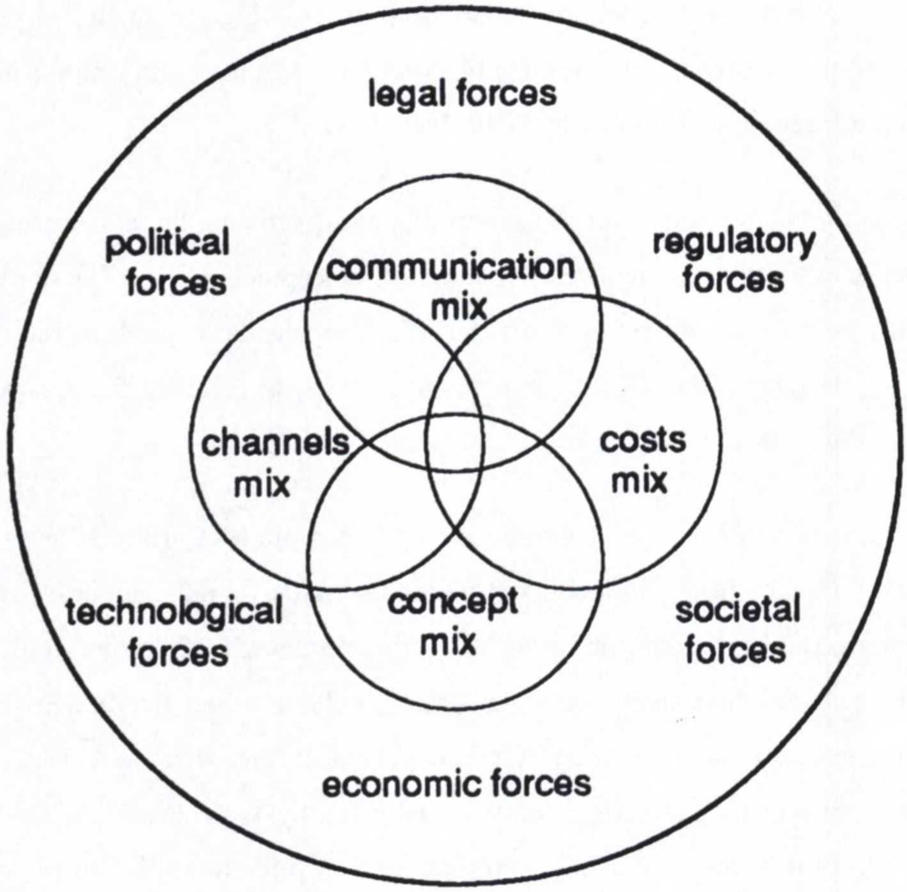

Figure 4: 4C model: marketer's controllable variables within the confines of uncontrollable marketing environment (Bruner 1989, 73)

Even though different conceptualizations or models have been constructed (Waterschoot & Van Den Bulte 1992; Bruner 1989, 73) and new elements have been introduced to be included in the marketing mix (Ylikoski 1998, 107-108), they all have more or less the same basics or ideas.

Wasmer et al. (1997, cited in Gibbs 2002, 331) felt that the approach of Bruner "better fits the situation found in higher education in part due to its avoidance of the negative connotations associated with the for-profit, tangible, product orientation of the four P's". As one looks at HE-marketing through the elements of the marketing mix, overlapping of elements is easy to see. For example, decisions about branding are partly decisions about the product, or concept, but also have a great influence on promotion, or communication.

In the following chapters, elements of the marketing mix are analysed. The chapters are named following the categorization of Bruner (1989) as concept, cost, channel and communication. This is not intended to take a firm stance on the debate about the different conceptualizations or whether there are negative commoditizing connotations in the original or revised 4 P's. Instead, it is because Bruner, from the writer's point of view, acknowledges the overlapping nature of the different elements and recognizes the forces of surrounding environment in the best way for the intents and purposes of this study.

2.2.3.1 Concept mix

The concept mix refers to all the varied goods, services and ideas that together compose the object of an exchange as viewed by the consumer. (Bruner 1989, 73).

Kotler & Armstrong (2001, 291) define product "as anything that can be offered to a market for attention, acquisition, use, or consumption and that might satisfy a want or need". Services, on the other hand, are defined as "a form of a product that consist of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything." The fundamentally unique characteristics of service goods that separate them from tangible goods are their intangibility, inseparability of production and consumption, heterogeneity, and perishability (Zeithaml et el. 1985, 33).

Products and services can be seen as consisting of three levels: the core product, actual product and augmented product. The core product is the core benefit or satisfaction the product offers. It is the reason the product or service is purchased. The actual product consists of features, packaging, design, quality level and branding. Finally, the augmented product is the additional consumer services and benefits such as installation services, after-sale care, warranty or delivery that are offered, but that are not a necessity (Kotler & Armstrong 2001, 294)

Arguably, higher education and education in general can be classified as a service, and is as such treatable in terms of marketing theory (Mazzarol & Soutar 1999, 287-288). Also the characteristics of Zeithaml et el. (1985, 33) can be found in education: education is arguably intangible as the product is the increased knowledge of the student, education is produced and consumed at the same time, education is heterogenic because students are individuals who learn in different ways, and education is perishable because it cannot be effectively stored, although Mazzarol & Soutar (1999, 289) argue that some aspects of modern technology (e.g. Web-based materials) may reduce perishability.

Teaching and courses are a significant and arguably one of the most important parts of HE experience (Voss et al. 2007), but it is important to note that students, or the consumers, see HE as a cluster of attributes rather than as a homogeneous entity (e.g. O'Mahony et al., 2001 cited in Gomez & Murphy 2003, 118, Litten 1980, 46). The HE concept in the students' eyes includes teachers, facilities and services (Gomez & Murphy 2003, 118), the overall environment of HEI, and other students, who are an important part of the experience (Litten 1980, 46-48). Students are at the same time consumers of the education experience (both as an intentional and contextual learner), a resource for the development of others, and producers of their own learning (Gibbs 2002, 329).

Litten (1980, 46) argues that the complexity of HE-offering is further emphasized by the fact that students enrol in a HE-programme that usually is very expensive and takes many years to complete. Litten (1980) continues that deciding HEI is only partly a consumption decision and in many ways also an investment in education and institutional reputation that has an effect on further education, career and all of the other social and economic rewards associated with a particular degree. As such, education, unlike many products, is hard to describe through technical or performance indicators and the measurement of quality of HE-environment, processes, and outcomes is hard, particularly because many outcomes have long time spans to full realization and the interaction between students and institutional characteristics has a major influence on the outcomes of HE-offering. (Litten 1980, 46)

As one can see from the preceding discussion, defining the core, actual and augmented product of HE is difficult. For example, the core, or the reason for higher education, is a matter that has many dimensions and is, to a large degree, also an ideological debate. Is education and the university in existence to produce knowledge for its own sake, or is the role of the university and education to train students so they can be employed (e.g. Martin & Etzkowitz 2000; Neave 2003)? This is fundamentally an ideological debate and as such a very interesting and important one; arguably, the ideology of the university and of departments and professors ultimately has a significant influence on the operations of HEIs such as curriculum design. However, delving too deep into this discussion is beyond the scope of this thesis, and it is sufficient to merely note its existence and its possible influence. The multitude of different elements that make up the actual product was discussed above, but it is arguably difficult to separate the actual and augmented elements of HE. It could be argued that aspects such as alumni services are augmented products, but parts of alumni services, such as their participation in lectures or attending HEI's events, can also be seen as parts of the actual product from the students' point of view.

An important element of the HE-product is the curriculum and its components. The curriculum design often encompasses cores and options from which students can choose, rather than a fixed set of subjects (Mok 1999, 134). Curricula differ between HEIs and they are very much a product of their designers. There are attempts, linked both to the Bologna process and Lisbon strategy, to develop frameworks for compatible qualifications (Dublin descriptors in the Bologna process (JQI 2004) and EQF in the EU (European Parliament 2007)) and also methodology for designing, developing, implementing and evaluating study programmes. One of the major projects on this field has been the Tuning project, which aimed at the elaboration of a framework of comparable and compatible qualifications in each of the Bologna countries (and later also in Latin America), which would be described in terms of workload, level, learning outcomes, competences and profile. Tuning has developed reference points for first and second cycle programmes and generic and subject-specific competences for different subject areas. These reference points have been used to define cycle descriptors. In the framework of the Tuning project, ECTS has been developed further as an accumulation system by linking credits to learning outcomes. The project has also attempted to link this new methodology to approaches regarding teaching, learning and assessment (Tuning project 2007, 1-4)

2.2.3.1.1 Business education

Business administration was one of the subject areas that the Tuning- project examined. The following findings were presented in the Tuning report II (Tuning project 2005, 44-51; 325-332) and it is useful for the purposes of this study to take a brief look into them, as this provides us with a backdrop against which the HEIs in the empirical analysis can be looked at.

There is great diversity in the ways in which business programmes have been designed, and it is difficult to come up with one single standard for the aims, contents and subject-specific competences that are to be achieved at first and second cycle business programmes around Europe. A number of similarities exist in European HEIs regarding aims, contents and views on subject-specific competences in first cycle programmes, but opinions differ more regarding second cycle programmes.

Some generic abilities regarding analysis (identifying, analysing and problem solving), decision making (risk awareness, implications, and argumentation) and implementation (planning and organizing, change management, argumentation and leadership) can be identified.

The typical first cycle degrees contain a general overview of the main issues of company missions, which means students being prepared through core knowledge (logistics, marketing, HRM, finance, accounting, quantitative methods etc.) and generic-skills courses (subject independent, e.g. languages and communication). Second degree normally tends to focus on knowledge-deepening courses, with the possible orientations either in a vertical direction, where students go in-depth in a subject area from the first cycle, horizontally/intra-disciplinary, meaning that students add new subject areas of business, or going diverse, which means including courses and topics not directly linked to business, for instance psychology or engineering. Second cycle holds a great variety of different programmes with different types of specialization.

2.2.3.1.2 Quality

Quality in higher education is a complex and multifaceted concept, and there is no single definition of or appropriate way of measuring quality (e.g. Harvey & Green 1993; Clewes, 2003 cited in Voss et al. 2007, 950). Voss et al. (2007, 950) argue that each stakeholder in higher education (e.g., students, government, professional bodies and employers) has a particular view of quality dependent on their specific needs.

On the general level, Kotler & Armstrong (2001, 299) mention three quality attributes: quality level, performance quality and quality consistency. They relate quality level with a product's position in the target market, performance quality with the product's ability to perform its functions, and quality consistency with freedom from defects and overall consistency in delivering a targeted level of performance.

Quality is not a quantifiable measure, but as Zeithaml et al. 1990 (cited in Voss et al. 2007, 950) argue, the perceived quality, which is the comparison between expectations and actual performance, has a great significance to the experience of the consumer. With this in mind, O'Neill & Palmer (2004 cited in Voss et al. 2007, 950) define service quality in higher education as "the difference between what a student expects to receive and his/her perceptions of actual delivery". Zeithaml et al. (1993) analysed the nature and determinants of customer expectations of service and, as such, this is valuable work. This study, however, focuses on one-market consumers and pays less attention to analysing the effect of culture on customer expectation, which is an area with very little conducted research (Donthu & Yoo 1998).

Influence of culture on service quality expectations was analysed by Donthu & Yoo (1998). They uncovered that, as a result of their cultural orientation, consumers vary in their overall service quality expectations, although it has since been argued by Vrontis et al. (2007, 985) that the effect of religion and national culture is declining as an influence on consumer decision-making. Using Hofstede's typology of culture, Donthu & Yoo noted that customers low on power distance had high overall service quality expectations and expected responsive and reliable service. Collectivist customers had low expectations and did not expect much empathy or assurance. Consumers low on uncertainty avoidance had low overall service quality expectations, and short-term-oriented consumers had high overall expectations (Donthu & Yoo 1998, 184-185). The study of Donthu & Yoo (1998) has its limitations, but it shows that cultural background does have an influence on expectations and therefore also the perceived quality of service. For an organisation operating internationally, like a HEI, this aspect is important to note, not least because the expectations and reputation of a HEI are important elements for students choosing their institution (Aharoni 2000, 139; Gavin in Kotler & Fox 1995 cited in Ivy 2001, 276)

Voss et al. (2007) argued that as HEIs are service providers, the performance of their personnel has a great effect on HEIs perceived quality. The interaction between lecturers and students is a major part of students' HE-experience. Voss et al. (2007) examined especially the role and effect of lecturers on how students experience quality. They cite Hill et al. (2003, in Voss et al. 2007, 950) in saying "that the quality of the lecturer belongs to the most important factors in the provision of high quality education" and go on to considering whether "student satisfaction guarantees" would be applicable in attracting students and enhancing quality.

Even though satisfaction guarantees could, at first glance, seem like a good idea in marketing terms, there are significant difficulties in applying them. One can easily find problems that would arise from unsatisfied students who have failed their courses and are demanding money back from the institution. The problem here is that even though HEIs can arguably be seen as service providers, the relationship between a student and professor is not only about professor pleasing the student, but also about the professor demanding progress from students and occasionally failing them if satisfactory performance is not achieved. Also, although lecturers are arguably a major part of the HE-experience of a student, as a body of literature points out, HE is seen as a cluster of attributes that include teachers, facilities, services, other students and students' own actions (e.g. O'Mahony et al., 2001 in Gomez & Murphy 2003, 118; Litten 1980, 46-48; Gibbs 2002, 329). From this viewpoint, the "student satisfaction guarantee" would have to cover a multitude of different issues, also students' own behaviour, and for this reason does not fit well, at least with a traditional non-profit HEI.

In HE, quality is not emphasized only by HEIs themselves, but is also stressed by governments and international bodies like the EU. HEI quality assurance is written in laws regulating HE (e.g. Finnish Universities Act 645/1997, 2) and quality assurance agencies such as. EQUIS, AACSB and FINHEEC, audit or accredit HEIs regularly. European standards and guidelines for quality assurance (ESG) were adopted by the ministers of higher education in their 2005 Bergen convention, and the formation of the Register of European Higher Education Quality Assurance Agencies was confirmed in the 2007 London convention (Ministerial Declarations and Communiqués of the Bologna process). The European co-operation and coordination is justified because it is seen that, through shared standards and guidelines, the consistency of quality assurance across the European Higher Education Area (EHEA) will be improved, and that HEIs and quality assurance agencies across the EHEA will be able to use common reference points for quality assurance. The planned shared register will make it easier to identify professional and credible agencies, procedures for the recognition of qualifications will be strengthened, mutual trust among institutions and agencies will grow and a move toward mutual recognition will be assisted. (ENQA 2007, 6)

Governments and bodies such as the EU play a crucial role in HE quality assurance and enhancement in other ways than through laws and regulations. Increasingly, there is a push towards development of centres of excellence and governments are allocating extra-resources to HEIs that they see as "excellent". Formation of the European Institute of Technology (EIT) is an example of government actions in HE quality management; special funding for selected HEIs in countries such as China and Germany, where 1,9 billion Euros were made available to HEIs within the framework of the Initiative for Excellence, is another (e.g Mok 1999, 142; Council of the European Union. 2007; German Federal ministry of Education and Research, retrieved 2.1.2008). Also the "Innovation University" or "Top University" –project (Ministry of Education 2007) that has caused much discussion in Finland can be seen as an example of this push towards excellence.

In addition to external evaluation, HEIs have internal quality assurance mechanisms in place. These are also of interest to outsiders, however. Quality assurance agencies, especially those involved in auditing (e.g. FINHEEC) do their work through examining HEIs' internal systems. ESG also has a section which lists the standards and guidelines for HEIs' internal systems. ESG examines the policy and procedures for quality assurance; approval, monitoring and periodic review of programmes and awards; assessment of students; quality assurance of teaching staff; learning resources and student support; information systems and public information that is available about the institution (ENQA 2007, 7). The Tuning project recommends focusing especially on issues relating to mobility, employability and lifelong learning and recommends involving academics, students, alumni and employers in analysing and evaluating these aspects (Tuning project 2005, 15)

2.2.3.1.3 Branding

Brand is defined as a name, term, sign, symbol, or design, or a combination of these, that identifies the maker or seller of a product or service. Brands are an important part of a product and successful branding can add value to the offering. Brands have an intangible value in the marketplace, which is called brand equity. Brand equity is based on the extent to which the brand has high brand loyalty, name awareness, perceived quality, strong brand associations and other assets such as patents, trademarks and channel relationships. The design of the product, communications, packaging, distribution locations, and architecture all contribute to the brand image (Kotler & Armstrong 2001, 301-313). A brand tells something about a products quality and a whole storyline about the product can be built around the brand (Kotler & Armstrong 2001, 301-302). Sapir and Winter (1994, cited in Bourke 2000, 113) refer to this, related especially to services, in saying that information asymmetry characterizes many service industries and this is why reputation is frequently used as a signal of quality. Because of the difficulty of reliably assessing the quality of a HEI, the students use signs such as entry requirements and the difficulty of being accepted as measures of quality. HEIs such as Oxford, Cambridge, and Harvard are perceived by many students to be the best, because the entry requirements are strict (Bourke 2000, 126). From this discussion, it is obvious that branding is partly a product or concept decision, but also greatly a communications decision

Branding is important to set a specific institution apart from other HEIs (Hayes 2007, 930) as it can be argued that a HEI's actual quality is often less important than that HEI's prestige, or reputation for quality (Gavin in Kotler & Fox 1995 cited in Ivy 2001, 276; Aharoni 2000, 128). Aharoni (2000, 123-131) stresses the importance of an institution creating a reputation that is not about the individual professionals working there, but about the institution as a whole. This requires the institution to have an excellent human resource management department to be able to both recruit and keep in house a sufficient number of exceptional professionals. In HE, the reputation of HEIs is also to a great extent formed by the quality of their professors and research, and this highlights even more the importance of HEIs to be able to maintain these individuals.

Increased competition within the HE-sector, decreasing funds and the introduction of government-backed marketing campaigns to increase the number of international students all highlight the growing importance of branding within educational institutions. Despite this, empirical research is scarce and focuses mainly on surveying international students (Hemsley-Brown & Goonawardana 2007, 942- 943).

The national agencies conducting international promotion are in a way branding the country's HE-system; this is justified by fieldwork evidence which testifies that intending foreign students initially choose the host country for undergraduate study and only then select the host institution. (e.g. Bourke 2000, 125 and Hemsley-Brown & Goonawardana 2007, 942) In the UK, HEIs are co-branding themselves with the brand of UK higher education because of the support that brings to HEIs' recruiting efforts, but simultaneously, the HEIs are highlighting their own brands on the HEI-level in order to differentiate themselves from other HEIs in the UK.

Gray et al. (2003, cited in Hemsley-Brown & Goonawardana 2007, 944) argue that institutions with extensive experience in offering courses offshore or by distance education tend to develop unified global brands in order to be more effective in the international market. Hemsley-Brown & Goonawardana (2007, 944) noted this brand harmonization also in traditional HEIs in UK, where sub-brands of individual schools or faculties were linked to the overall brand of the HEI. However, aligning school-brands with those of the HEI maytake time and cause conflict because of the traditions and status the schools have (Hemsley-Brown & Goonawardana 2007, 946-947).

The wisdom of brand harmonization is somewhat questioned by the findings of O'Mahony et al. (2001, cited in Gomez & Murphy 2003, 117-118). They found that students see a university as a cluster of attributes that includes teachers, facilities and services rather than a homogenous entity, and that students based their choice on the reputation and availability of a particular degree rather than the university's overall reputation.

Even though students tend to consider studying in countries which are information-rich and have systems and processes supporting the availability of free, accurate, up-to-date and well-presented data, students will ultimately have to choose the host HEI. Therefore the ability of a HEI to present and brand itself is an important dimension which will influence the pattern and trend of international student mobility (e.g. Bourke 2000, 126; Hayes 2007, 930; Hemsley-Brown & Goonawardana 2007, 942). The importance of a HEI being able to attract students to apply, regardless of national efforts, is further emphasized by the fact that those students in Bourke's study who were currently studying in a HEI listed as the most important reason for choosing a country that they were offered a place to study by a HEI (Bourke 2000, 124).

2.2.3.2 Cost mix

In their study, Zeithaml et al (1985, 37) found that associating direct and indirect costs with the provision of a service is less precise and more difficult as the service extends over a longer time period. Pricing education is no exception to this because the service arguably takes a long time, and also because the pricing decision is not entirely in the HEI's hands. In many countries, legislation regulates the pricing of HE by setting some limits to the price or banning tuition fees altogether to allow equal access to higher education (European Commission 2003, 13). As HE is still a public responsibility to a large degree, the state budget covers at least partly the cost of HE. This makes pricing and financing HE quite different from much of the business world. The principal individual client generally does not directly pay more than a small fraction of the cost of the services being received (Litten 1980, 49). Bourke (2000, 123) identifies two markets for HE: the "free" market, which operates like the normal goods market, and the "managed" market, which is influenced to a large extent by the actions and decisions of governments.

Despite the current situation of large regulations on tuition fees, governments and the EU are increasingly turning to students in search of ways to increase private sources of funding. In his analysis of HE in China, Mok (1999, 140) noted a significant increase in fee-paying students due to the declining state responsibility. The European Commission identified contributions from students, in the form of tuition and enrolment fees, as a source of income (European Commission 2003, 13). The Commission argues that since the main determining factor in participation in HE is still socioeconomic background, free education has not increased equity. As there is a bulk of evidence that there are usually significant private returns to those who participate in higher education, and that these are not entirely offset by progressive tax systems, many countries are turning to the main direct beneficiaries of higher education, the students, to invest in their own futures by paying tuition fees and to bring about a more equitable balance between the costs funded by individuals and society and the benefits accrued by each (European Commission 2006, 7-8).

From the HEIs' perspective, pricing decisions depend very much on the political and legal environment in which they operate. However, if the regulation on prices is not that strict, the pricing decisions HEIs make arguably have an effect on student choices. The enrolment effect of tuition fees changes very considerably, depending on the HEI's price level, characteristics of its students, the HEI's and government's student-aid structure, the HEI's applicant pool, and also its competitors (Leslie & Brinkman 1987, 194).

There are also costs other than tuition fees associated with studying, for example opportunity costs and living costs. The relationship between these costs and tuition fees and the impact of changes in these has been studied widely. A number of studies (cited in Leslie &. Brinkman 1987, 195) show that the effect of changes in tuition fees is many times larger than effects of changes in other costs. However, this has since been contested by showing that if one takes the income of the students' families into account, there is roughly an equal sensitivity among tuition fees, student aid, other costs and opportunity costs (Manski & Wise 1983 cited in Leslie & Brinkman 1987, 195).

Price has an effect on consumer choice and it is considered as part of marketing communications because of its effect on consumer expectations; therefore, it could be argued that, in the same way as the difficulty of being accepted to a particular HEI (Bourke 2000, 126) creates an image of quality, higher price is also an indicator of the quality of an HEI's offerings.

2.2.3.3 Channels mix

Providing HE has traditionally happened at campuses and classrooms and students being taught by primarily full-time faculty. Many traditional universities recruit international students, but they are not global universities because students must come physically to a campus that operates within a recognized geographic area and within a specific local cultural context (Hanna 1998, 69). There are also other ways of providing HE that have common characteristics, mainly in terms of the ways in which they cross the borders of national higher education systems. It is for this reason that they are usually identified by the generic phrase "transnational education" (TNE) (Vlasceanu & Wilson 2000)

UNESCO and the Council of Europe agreed on a Code of Good Practice in the Provision of Transnational Education (UNESCO & Council of Europe 2001) in which they defined concepts in the following way:

- *Transnational arrangements*

"An educational, legal, financial or other arrangement leading to the establishment of (a) collaborative arrangements, such as: franchising, twinning, joint degrees, whereby study programmes, or parts of a course of study, or other educational services of the awarding institution are provided by another partner institution; (b) non-collaborative arrangements, such as branch campuses, off-shore institutions, corporate or

international institutions, whereby study programmes, or parts of a course of study, or other educational services are provided directly by an awarding institution."

- *Transnational education*

"All types of higher education study programmes, or sets of courses of study, or educational services (including those of distance education) in which the learners are located in a country different from the one where the awarding institution is based. Such programmes may belong to the education system of a State different from the State in which it operates, or may operate independently of any national education system."

In their article for UNESCO/CEPES Vlasceanu & Wilson (2000) defined franchising, different programme articulations and branch campuses the following way:

- *Franchising*

the process whereby a higher education institution ("franchiser") from a certain country authorizes another institution or organisation ("franchisee"), from the same or from another country, to provide its (i.e., the franchiser's) educational services (e.g., the whole or a part of one or more of its approved study programme/qualifications);

- *Various Programme articulations (e.g., twinning, etc.)*

referring to those inter-institutional arrangements whereby two or more institutions agree to define jointly a study programme in terms of study credits and credit-transfers, so that students pursuing their studies in one institution have their credits recognized by the other, and accepted for transfer in order to continue their studies;

- *Branch campus:*

established by a higher education institution from one country in another country in order to offer there its own educational programmes/ qualifications;

- *Off-shore institution:*

an autonomous institution which belongs, in terms of its organisation and contents, to one particular national educational system, but without necessarily having a campus in the country (or system) to which it belongs, and is established as an institution in another country.

Other examples are: large ***corporations*** *which organize their own higher education institutions or study programmes offering qualifications, with neither the institution nor the programme belonging to a national system of higher education;* ***international institutions*** *offering "international" qualifications that are not part of a specific educational system. Finally,* ***distance-learning*** *describes a wide range of learning activities characterized by the separation of the learner from the teacher. These learning activities – or the framework within which they are organized – may or may not belong to the higher education system of a given country.*

For the intents and purposes of this study, these different elements are useful to note, but going much deeper into them is beyond the scope of this thesis. However, as transnational education is most likely to increase in number and diversity, it is a development which surely needs more attention in future studies, both in itself and in its effects on the provision of HE.

2.2.3.4 Communication mix

There are differences in how service firms use advertising in their marketing efforts (Zeithaml et al. 1985. 38-41). Services are perceived by consumers as riskier than other goods and thus the need for information is greater and the decision process is longer (Murray 1991, 10-20). Firms offering services that endure a longer time period and have longer benefits place a higher degree of importance in personal and word-of-mouth communications, as well as the image of an organisation, and use less media like newspaper or television because consumers place more weight on personal sources of information compared to impersonal sources due to their interactive nature (Murray 1991, 10-20). In the case of HEIs, this means word-of-mouth from current students and alumni (Voss et al. 2007, 950), visits by academic personnel, and participating in educational trade fairs and presentation evenings (Woodhall 1987, cited in Bourke 2000, 128).

Service firms choose their customer contact personnel carefully and train them to interact with customers (Zeithaml et al. 1985, 41). This is referred to as internal marketing, which Flipo (1986, 8) defines as being "aimed at creating enthusiasm, consistent behaviour and respect for the general marketing strategy amongst the contact personnel" and he cites Grönroos (1979) in stressing that "managing the buyer-seller interaction in service firms is much more important than traditional marketing activities."

Selection of a professional service provider is of critical importance because of the great costs involved in time and both actual and alternative costs. When a service is very complex, like HE, assessing quality is very difficult, both before purchase and even long after consumption (Aharoni 2000, 129). Selecting a HEI to study at is by any measure a complex task with long-lasting and major personal consequences for the student, not least because this choice is usually made only once and because it is not only a consumption decision, but also an investment for the future. What makes this decision harder is the fact that the decision-maker is usually quite young and often lacking informed advisors because parents and high school teachers are often also poorly informed about the range of options (Litten 1980, 46-49).

As said, there is a great deal of uncertainty involved in assessing the quality of a service provider. Aharoni (2000, 125) argues that because of this and the crucial importance of the outcomes of the service, clients rely on surrogates such as reputation to assess the quality. Therefore, the ability to transfer and communicate reputation is a major source of competitive advantage for an international organisation (Aharoni 2000, 127). Reputation is not an objective truth of quality, but a perception of it. Some indicators of a reputable organisation are its age, size, ability to recruit and maintain quality staff and customers, past performance, recommendations of past students and opinion leaders, and existence of famous clients, students or alumni. The number of customers, and, in the case of HE, the number of applicants, can also be seen as a mark of reputation (Aharoni 2000, 131-136, Vrontis et al. 2007, 987).

Bourke (2000) analysed the different ways that students make their initial contact with host HEIs and noted that privately funded students and government-sponsored students behaved in different ways. Privately funded students made their initial contact via family and friends, while the most common first point of contact for government-sponsored students was host university personnel and university literature. Newspapers did not feature as an initial contact among the government-sponsored students, but were an initial contact for 8 percent of the privately funded students (Bourke 2000, 128).

HEIs can and do form coalitions in their marketing efforts, especially in international marketing (Mazzarol & Soutar 199, 282). One example of this is the International Admissions Service in Finland that is coordinated by Helsinki University and has 15 HEIs in total as partners. As mentioned earlier, many countries have engaged in promotion and branding of their national HE-systems. One way of doing this is through education portals on the internet. Internet has in the recent years become more and more important, and in a study by Gomez & Murphy (2003), it was found that over half of students used the internet in helping them choose overseas education. Despite the growing importance, there is much room for improvement in HEIs' online customer service because basic elements such as developing policies towards e-mail requests and user-friendly and informative websites are still lacking in many HEIs (Gomez & Murphy 2003, 117-121). The importance of the HEI's own service quality and internet marketing abilities is further highlighted by the fact that students rarely use education portals to find an HEI's website (Gomez & Murphy 2003, 121).

2.3 Marketing implementation

After developing a marketing strategy and plan, these need to be implemented. Despite the increased attention given to the question of the formalization of strategic planning processes and elaborate strategic planning systems, the actual implementation of strategies has been given less attention (Bonn & Christodoulou, 1996, 543). Implementation depends on how well the organisation manages to use its components and departments in a cohesive way to put the strategies and plans into action. Kotler & Armstrong (2001, 72) stress the importance of people, organisational structure, decision-making and rewards mechanisms in implementation. The strong effect of organisational culture on strategy formulation and implementation has been highlighted in a wide body of literature. It is argued that an organisation's culture, as a system of shared attitudes, values and beliefs, will define appropriate behaviours and shape the decision-making processes of that organisation's senior managers (Bonn & Christodoulou 1996, 547).

The culture or special characteristics in HEIs that directly affect management are governance tradition, collegiality, expertise and the role of the students (Söderqvist 2002, 196). Söderqvist (2002) argues that despite the old and possibly resistant culture, HEI middle managers need to be delegated real power instead of mere titles and duties, and top management need to jump from old "norm management" to "visionary management" and take better care of creating frameworks for the middle-managers (Söderqvist 2002, 196). Middle management, however, first needs to be trained on strategic and operative functions (Anand 1996, cited in Söderqvist 2002, 196).

Problems can occur if this training is missing and inexperienced middle managers are given power. This was noted by Barry et al. (2001), who studied managerialism in HEIs through a number of interviews that showed dissatisfaction especially with the middle management: "the staff are critical, not just of autocratic and mismanagement, but also (contrary to what might have been expected) the absence of management, and in particular the absence of supportive or transformational management, which is used to help mediate, moderate and resist the harsher effects of the attempts to impose control (Barry et al. 2001, 88)." This is not that surprising, as a number of evidence points to the fact that managers in HEIs lack managerial skills (Barry et al. 2001, OECD 2007, 49). They are in many cases academics who are selected by their peers, often on a part-time or rotating basis, and in worst cases have been persuaded or coerced into managerial positions (Sipilä 2007, 58; OECD 2007, 27).

2.4 *Control*

Controlling the marketing effort is about measuring, evaluating and, if needed, taking corrective action (Kotler & Armstrong 2001, 73). Measuring the performance is done by mirroring the developments on the markets against the plans and strategies. The importance of control and information-gathering and analysis systems and operations are highlighted in the literature (e.g. Bernhardt 1994; Zabriskie & Huellmantel 1994). Zabriskie & Huellmantel (1994, 115-117) argue that marketing directors need to "develop their marketing research departments so that they are capable of producing strategic marketing research - this means futures research, based on environmental monitoring, scenario projections, market impact studies, and the other types of research needed to do corporate planning and to make the growth decisions."

It can be argued that HEIs for the most part have market analysis and control systems because HEIs are, by their nature and purpose, organisations that research and monitor their environment. While they are doing this, they also study and monitor their societal and political environments. HEIs and academics also actively participate in discussion on societal issues, often provide critical analysis of developments and policies, and also often participate in policy-making in the role of advisors. The impact of HE-community, both academics and students, can be seen in, for example, the Bologna process, where ministers in the Prague 2001 summit included the participation of HEIs and students in the process (Ministerial Declarations and Communiqués of the Bologna process). This can be seen as an element of marketing control in a way that the HE-community first analysed the marketing environment and then took active measures in order to influence the future market conditions.

Arguably, analysis and control of the external environment is important, but influencing the external environment is more difficult for the individual HEI than influencing on its own actions. There are different ways to analyse and control the impacts of a HEI's internal actions. If one leaves out controlling and measuring the HEI's research activities, as those are beyond the scope of this thesis, and focuses on degree education, one can intuitively divide the market control as focusing on three parts: 1) student recruitment, 2) HEI's educational activities and 3) post graduation control.

2.4.1.1 Student recruitment

In 2003, there were some 3300 higher education establishments in the European Union and approximately 4000 in Europe as a whole, compared to over 4000 HEIs in the USA. European HEIs take in an increasing number of students, over 12.5 million in 2000, compared with fewer than 9 million ten years previously (European Commission 2003, 5). As discussed earlier, the competition for the best students is hard and HEIs put a great deal of effort in promotion activities and in creating a good image and brand for themselves to attract good applicants.

What makes HEIs different from other organisations offering services is their selectivity in and exclusion of potential clients in means other than just market mechanism. Multiple simultaneous applications to several preference-ranked HEIs, pending admission, and rejection decisions differentiate customer behaviour and the marketing process in HE from many other sectors. Also, the "quasi-brokering role" of testing agencies (e.g. SAT and GMAT) creates particular marketing considerations, as they contribute to students' orientations toward specific institutions and institutions' appraisals of students (Litten 1980, 47).

Student recruitment is, however, not only a HEI's decision; national politics have an effect also. In some countries, a successful secondary school career gives an automatic right of access to university studies with no additional selection. This right is considered an essential element of democracy to guarantee equality for all citizens. However, in other countries, universities themselves apply selection systems, particularly with certain subject areas such as medicine, and HEIs apply additional selection criteria (European Commission 2003, 14). In some countries, a numerus clausus, or a method of limiting the number of students in universities, is in place. For example, in Finland, a target number of graduates for each field of study are determined in a development plan for education and research and the target number of graduates is negotiated in three-year performance agreements between universities and the Ministry of Education. As HEIs operate in a certain national environment, the policies of the country give direction for HEIs' operations.

Regarding the recruitment of students, the goal and the basis of evaluation is recruitment of students who not only perform well in their academic endeavours, but are also committed to their studies and stay to finish their degree in the HEI (Sajovaara et al. 2002, 118). This is important not only because of academic reasons, but also because it has been demonstrated that recruiting new students is several times more expensive than their retention (Joseph et al., 2005 cited in Voss et al. 2007, 941).

Student selection systems in higher education in different countries are based more or less on the same basic principles, although the practices vary and can be very complicated. A general eligibility test (e.g. matriculation exam in Finland) is common, but in addition to this, there may be some other special or compensating qualification requirements, e.g. entrance exams, international tests (e.g. SAT or GMAT), personal interviews and/or psychological tests (Ahola & Kokko 2001, 192-193).

The relationship between selection criteria and academic performance is a crucial question. HEI-specific entrance exams have been rationalized by the belief, which is also supported by some research that primary or secondary level success does not necessarily lead to success in higher education (Ahola & Kokko 2001, 194). However, there is also evidence that there is not necessarily any correlation between success in entrance exams and academic performance either, and in some cases even a negative correlation has been detected (Sajovaara et al. 2002, 67-69). This has been noted by HEIs themselves (Ministry of Education 2003, 21; Sajovaara et al. 2002, 106) and also by students (Ahola & Kokko 2001, 199).

One aspect that is worth noting is that the perception of how well their system works in many Finnish HEIs' student selection bureaus was based only on knowledge from experience, and this know-how was transferred more through tradition and culture than through systematic training (Sajovaara et al. 2002, 106). Additionally, especially in business education it has been reported that, regarding student selection, consultation with stakeholders such as employers does not seem to be very formalised, although there seems to be an increase in such cooperation (Tuning project 2005, 49). The above analysis paints a rather gloomy picture of student selection to HEIs. An important thing to note, however, is that the examples mentioned above are of practices which have not been very good. The fact that institutions are constantly developing and evaluating their selection criteria gives hope that it is possible to develop systems that work.

2.4.1.2 HEI quality control

Quality control or quality assurance was discussed above. The literature on higher education quality is numerous and every method of quality assessment generates numerous critiques (Brooks 2005, 2). Quality assessment has earlier been divided into three research areas: reputation, faculty research, and student experiences and outcomes. Today, most larger assessments do not easily fit into any of these categories, but measure multiple aspects of a university. Comparing institutions with each other is especially difficult because even though HEIs seem to be similarly situated, there are differences in programme emphasis which causes difficulties in ranking them (Brooks 2005, 3)

2.4.1.3 Post graduation control

Employability or post-graduation performance is considered one of the indicators of the quality of HEIs, as noted in Brooks (2005, 3). Also governments and ministers of higher education have emphasized the importance of employability (for example, employability has been one of the features of the Bologna process from the start and is also a major driver behind the Education and Training 2010 –work programme of the EU Lisbon strategy). Some studies have been conducted which have followed learning and career outcomes of graduates (Brooks 2005, 14-16). In Finland in the field of economics and business administration SEFE, The Finnish Association of Business School Graduates, publishes research reports on graduated students' perceptions of their education as well as studies of the career paths of graduates who have spent five years in the workforce. These reports are used by HEIs in their curriculum design.

3 THEORETICAL FRAMEWORK

This thesis belongs to the area of international business and specifically to the area of international marketing. As the marketing process is not just promotion or communication, but consists of larger entities of analysis, planning, implementation and control, the other areas of business such as management are a natural part of this study. Higher education is very much in the interests of governments and societies and greatly affected by political decisions made both on the national level and increasingly also on the international level. For this reason, this study is also contributed to greatly by political science, theories of public management and societal studies.

This study takes the higher education institutions' (HEI) perspective, or point of view, and examines the issue of marketing as a marketing effort by the HEI towards the "consumers", or potential students. Other points of view could be derived from the universities act of Finland (Universities Act 1997) and its definition of the mission of the university:

"The mission of the university shall be to promote free research and scientific and artistic education, to provide higher education based on research, and to educate students to serve their country and humanity. In carrying out their mission, the universities shall interact with the surrounding society and promote the societal impact of research findings and artistic activities."

From the above definition, one can argue that the different focuses could be 1) the students, 2) country and humanity and 3) surrounding society.

If one would look at humanity as a customer of HEIs, the focus would be on the new knowledge and the dissemination of it as the product of HE. If one would take this route, the students would be factors of production that the HEI would use in providing service to humanity. The same kind of analogy could be made if the focus would be on HEI – society relations. In this, the service of HEIs would be the employability and know-how the people have.

These different viewpoints illustrate partly the debate of the role of the HEIs that is in brief described in the literature review. The issue is not, however, worth noting only because of the interesting discussion it generates, but also because, depending on one's point of view, the dependence and independence of different factors change. To illustrate: if one looks at society as HEIs' customers, then political and legislative environments are controlled by the customer, which is not the case when one takes the students as customers –point of view, where legislation is to a large degree independent of customers' or providers' actions.

As said, the point of view of this study is from within the HEI towards the student. Based on the discussion on the literature, we can identify the factors that are dependent on or can be influenced by HEIs, and the factors that are beyond the scope of their influence.

The environmental elements identified in the PEST-analysis - the political and legal factors, economic and demographic factors, social and cultural factors and technological factors - can arguably be considered independent of HEIs or students' actions. Factors relating to the wider HE-industry can also be considered independent of HEIs' or students' actions, as can the HE-industry environment, when analysed through Porter's five forces (1979, 137). All of these can be influenced, as discussed, also by HEIs and students through lobbying and by organizing in representative organisations that promote their issues, but for the intents and purposes of this study, these elements can be considered independent.

Factors that can only partly be influenced by HEIs are the issues relating to customer buying behaviour, pricing of their education, organisational structure, degree structure, quality assurance and student admissions. The degree of which these are controlled by governments varies from country to country, but as evidence shows, the legislation and regulation touches these in one way or another in most countries.

Other factors which, in this study, are classified as dependent on HEIs' decisions, have a certain degree of regulatory control. These factors are strategy of HEI, degree content, number of academic offerings, internal quality assurance, promotion, channels and implementation of operations.

As it is, it is hard to draw a line between issues that can be controlled by HEIs' decisions and the things that cannot. The framework that was presented in the introduction can be modified as depicted in figure 5. The analysis-stage covers the issues that are more or less out of the HEIs' control, but have a significant influence on HEIs' strategic choices and operations. Strategy and planning and implementation stages are HEI's responses to the analysed environment. With internal quality assurance, the HEI monitors the quality and effectiveness of its strategies and modifies them accordingly.

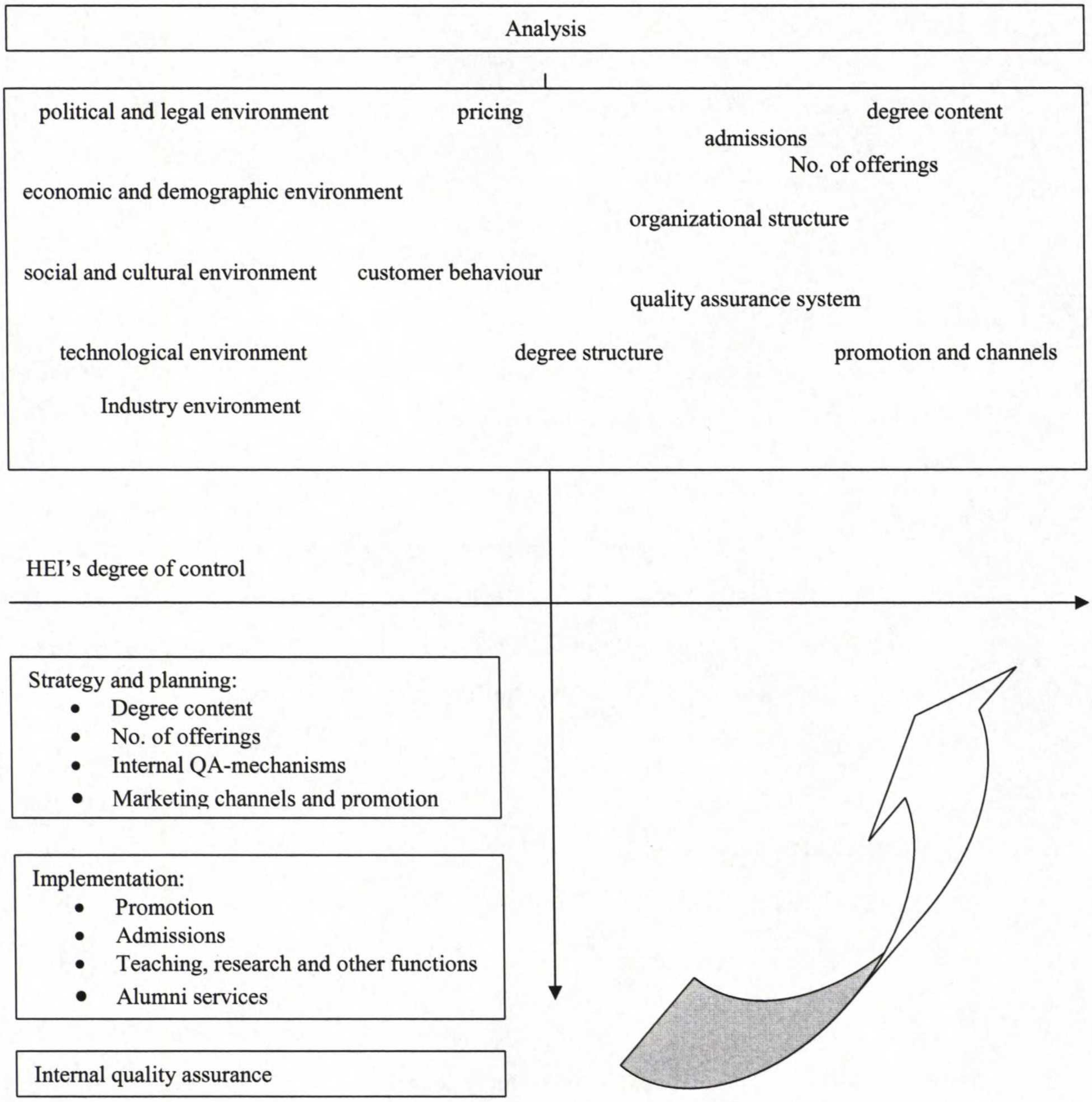

Figure 5: Modified framework for HEI's marketing process

In addition to examining the questions and sub-questions that were formulated in the beginning of this study, the following propositions can be made:

Proposition 1:

Because the characteristics of first cycle business degrees are more or less the same across Europe, the HEIs' recruitment goals and strategies of international degree students are also similar, and the possible differences are due to national differences in HE-systems and –policies.

Proposition 2:

Because there are different orientations in the second cycle business degrees, the HEIs' recruitment goals and strategies of international degree students also differ between individual HEIs.

These are not so much to be answered or tested, but rather to be considered and thought through during the analysis of marketing efforts of business-oriented HEIs, as discussed in the end of the study. Initially, this study did not start with the aim of analysing the propositions, but these emerged during the literature review and can be used to help strategic thinking in HEIs.

4 METHOD OF RESEARCH

This thesis is based partly on analysis of the existing literature and partly on empirical analysis of HEIs' marketing efforts.

Above an extensive review of the existing literature on marketing and HE has been conducted. As the main focus is on international student recruitment, parts of the marketing efforts of HEIs are analysed only on the level of existing literature. This is because, even though very interesting and important, parts of the HEIs' marketing efforts, as shown in the theoretical framework, are effectively independent of HEIs' decisions. Also the exclusion is necessary because as the preliminary framework and the literature review show, analysing the entire marketing effort and all its components through empirical analysis is far beyond any reasonable scope of any individual thesis.

The above literature review and conclusions from it can be used in discussing and analysing the first sub-question of this thesis, but the remaining sub-questions still remain unanswered. This will be done through analysis of student recruitment of selected business oriented HEIs. The sample HEIs are the eighteen full academic members of the Community of European Management Schools (CEMS):

	Country	City	Name	Abbreviation
1	Austria	Vienna	Vienna University of Economics and Business Administration	WUW
2	Belgium	Louvain	Université catholique de Louvain	UCL
3	Czech Republic	Prague	University of Economics	VSE
4	Denmark	Copenhagen	Copenhagen Business School	CBS
5	Finland	Helsinki	Helsinki School of Economics	HSE
6	France	Paris	HEC School of Management - Paris	HEC
7	Germany	Cologne	University of Cologne	UoC
8	Hungary	Budapest	Corvinus University of Budapest	CUB
9	Ireland	Dublin	UCD Smurfit School of Business	UCD
10	Italy	Milano	Università Luigi Bocconi	UB
11	Netherlands	Rotterdam	RSM Erasmus University	RSM
12	Norway	Bergen	Norwegian School of Economics and Business Administration	NHH

13	Poland	Warsaw	Warsaw School of Economics	SGH
14	Portugal	Lisbon	Faculdade de Economia da Universidade Nova de Lisboa	FEUNL
15	Spain	Barcelona	ESADE	ESADE
16	Sweden	Stockholm	Stockholm School of Economics	SSE
17	Switzerland	St Gallen	University of St. Gallen	HSG
18	United Kingdom	London	London School of Economics	LSE

These HEIs were chosen because they all can be considered top business and management schools (as CEMS only accepts one academic member from each country) and as such provide as comparable a sample as one can hope to find for studying business HEIs. If the sample had HEIs that are very different in their position within their country, the possible differences could be contributed to their efforts in national competition between HEIs. If one makes the assumption that the CEMS network has managed to select the top ranking HEIs from each country, their strategy regarding national competition would arguably be similar and thus the reasons behind possible differences would be somewhere else. Also, these all are European countries, so the larger European political environment is arguably similar to all HEIs, even though there are differences in the extent to which different countries have implemented the reforms of Bologna and Lisbon. Finally, since all selected HEIs are business-oriented HEIs, it can be argued that the market-oriented thinking towards operations should, if not applied on HEI level, be at least known in the HEIs.

To answer the sub-questions, a detailed questionnaire was compiled. The questions were divided into two parts, the national system and the HEI. On the national level, the country's involvement in the Bologna process and its objectives was examined. On the

HEI-level, the structure of HEI, branding, tuition fees, student numbers, student recruitment strategy, admission criteria and evaluation of recruitment process, first and second cycle differences as well as promotional efforts were studied.

To analyse the individual HEIs and their operations, a questionnaire was compiled, which can be found as appendix 1. This questionnaire was sent to the administrative directors (or comparable) in all above mentioned HEIs via e-mail with a three-week answer deadline. A remainder e-mail was sent to HEIs that had not replied within the deadline. In total, seven of the eighteen HEIs responded, giving a 38,8 percent response rate.

HEIs that responded were:

	Country	**City**	**Name**	**Abbreviation**
1	Austria	Vienna	Vienna University of Economics and Business Administration	WUW
2	Finland	Helsinki	Helsinki School of Economics	HSE
3	France	Paris	HEC School of Management - Paris	HEC
4	Italy	Milano	Università Luigi Bocconi	UB
5	Norway	Bergen	Norwegian School of Economics and Business Administration	NHH
6	Switzerland	St Gallen	University of St. Gallen	HSG
7	United Kingdom	London	London School of Economics	LSE

In addition to the questionnaire, HEIs' websites were used to analyse the HEIs and their marketing efforts. Also, national websites were used to provide a picture of the educational system of relevant countries.

4.1 *Evaluation of the methodology*

Traditionally, scientific research is evaluated based on its validity and reliability. Validity means measuring what is intended to be measured and reliability is about response consistency, or how reliably things are measured and how well the measurements can be repeated (Sayre 2001, 12). Hirschman (1986, 238) argues that as marketing is viewed as a socially constructed enterprise, what is needed are inputs from the humanistic modes of inquiry developed specifically to address socially constructed phenomena. Humanism, as an inquiry approach, Hirschman (1986, 238) continues, differs from the methods used in the physical sciences because it advocates that the researcher immerse him/herself in the phenomena under investigation rather than stand apart from it. One of the main elements of humanistic inquiry is that phenomenal aspects cannot be segregated into causes and effects because they are in a process of continuous creation.

If one looks at the evaluation criteria of a humanistic research, four criteria can be used (Sayre 2001, 45-46, Hirschman 1986, 244-246):

credibility - ability to accurately represent multiple realities of the people under investigation, which presumes honesty of discourse between the researcher and subjects of study

transferability - the ability to transform one manifestation of a phenomenon to another manifestation the phenomenon, recognizing that no two social contexts are identical

dependability - because no two descriptions of the same phenomenon are identical, research is better validated, if more than one researcher is used. This is roughly equivalent to reliability in positivist studies *confirmability* - information is supported by the data, as gathered by the researcher, to "represent a logical set of conclusions given the reasoning he/she employed during the interaction, and to be a nonprejudiced, nonjudgmental rendering of the observed reality"

Sayre (2001, 46) proposes that most effective way to combat threats to validity is to triangulate data, or to use a variety of data sources in a study, such as interviews, journal articles, census data or artefacts.

In this study, the data was collected using journal articles to construct a frame to which the data from the selected HEIs is compared. The articles and literature on previous research provide a picture of the realities found, and comparing and combining them and drawing conclusions based on them gives one side to the topic under investigation. The data provided by the HEIs in this study offers another view of the reality in which this study is located, given by the people who work in the HEIs. Look on the www-pages of the selected HEIs provides a more static element of observation to the operations of the selected HEIs and, in this way, is evidence on the implementation of the strategies HEIs have selected. Also, the numerical data on such statistics as numbers of international degree students and programmes offered in English augment this analysis.

Because the data from the selected HEIs was collected via an e-mail questionnaire, no personal contact was made. This can be seen as a risk for drawing conclusions, because a proper dialogue is now lacking. Also, due to time constraints, this study or its conclusions could not be submitted to the selected HEIs for comments in order to make sure that the researcher has interpreted the answers in the way that they were meant, as suggested by Hirschman (1986, 244).

Regarding generalization to HEIs not fitting the description of top business-oriented HEIs, this study does not serve the purpose too well. The HEIs in this study are all operating in their individual national political and legal environments and conclusions cannot be straightforwardly drawn to fit HEIs with other profiles. As Sayre (2001, 47) points out, this kind of external generalization is not possible when small numbers of individuals are studied. As Ragin (1987, 10) puts it, "the greater the theoretical or empirical specificity, the smaller the number of cases relevant to the investigation." The descriptive, interpretive and theoretical validity of the conclusions depend on their internal relationship to the case as a whole (Sayre 2001, 47).

The comparative method looks into configuration of conditions. In is used to determine the different combinations of conditions associated with specific outcomes or processes (Ragin 1987, 14) In this study, the aim is to analyse the differences in top business-oriented HEIs' student recruitment and marketing strategies and try to identify the reasons for their differences and similarities. Although results of this study cannot be extrapolated directly to fit, for example, another field of HE, results can be seen as indicative of what might be expected from similar studies under similar circumstances (Sayre 2001, 47).

5 EMPIRICAL FINDINGS, DISCUSSION AND ANALYSIS

In the beginning, the research problem was stated that there is no clear understanding of the strategies behind the marketing and student recruitment efforts of HEIs. In other words, this thesis aims to study if, how and why marketing strategies of business-oriented HEIs in Europe differ, and how these differences show in HEIs' promotional efforts towards potential international degree students.

The following research questions were formulated to address the research problem:

1) Are there differences in HEIs' student recruitment strategies and what is/are the cause of these differences?
2) How do the possible differences manifest themselves in international marketing efforts of business-oriented HEIs?

To answer these questions, the following sub-questions were formulated:

1) What are the environmental trends affecting HE and HEIs?
2) If the HEIs have a formulated recruitment strategy, does it differ between first and second cycle degrees and between domestic and international students?

3) On what basis do the HEIs admit students and how do the admissions criteria reflect the strategy?
4) How do HEIs promote themselves internationally and do the promotional efforts differ between first and second cycle degrees?
5) Do the strategies and their implementation differ between HEIs and to what degree can the differences be contributed to HEIs' own decisions and to what degree to environmental differences, beyond HEIs' control, between countries?

Data from the HEIs was gathered with a questionnaire (appendix 1) that was sent to the CEMS-members via e-mail. Seven HEIs responded (WUW, HSE, HEC, UB, NHH, HSG, LSE).

In the questionnaire, annual budgets for the HEI, business school and marketing were asked, but as some HEIs felt that it was not appropriate to give details about their budgets, this information is not analysed below.

In this chapter background information (i.e. numbers of students, programmes offered in English, tuition fees etc) of the HEIs that answered is first presented. After this, recruitment strategies, admissions strategies, criteria and evaluation as well as promotional efforts (branding, promotion, www-pages) of the selected HEIs are presented and analysed. These provide a view on sub-questions 2, 3 and 4. Sub-questions 1 and 5, or the environmental trends affecting HE and HEIs and the effect of these on strategies and their implementation, are discussed in more detail in the concluding chapter.

5.1 Background information on the HEIs studied

Before discussing the specific topics, general background information on the HEIs that answered the questionnaire is needed.

The HEIs were founded between 1881 and 1936 with HEC being the oldest and NHH the youngest. All are mainly focused on business education and fields closely related to it, such as business law or social sciences.

The size of the analysed HEIs is quite varied. WUW is by far the largest, with 23000 students, and the NHH smallest with 2572 students. The student number is, of course, only one measure of HEI-size, but arguably as good as any, especially when it comes to degree education.

	WUW	HSE	HEC	UB	NHH	HSG	LSE *
No. students in HEI	23000	4000	3000	13000	2572	4900	7800 (641)
No. students in business school							641

Table: 1: Number of students in business school (HEI) (Note: * LSE's answers' were regarding the department of management. HEI numbers were retrieved from LSE website)

HEC differs from the rest of the HEIs in this analysis as it is a grande école and is, for the intents and purposes of this study, focused only on MSc-level. The status of grande école causes differences in, for example, admissions and length of studies. As a grande école, HEC has a track for BSc-students and a track for classes préparatoires or preparatory classes. If the student enters HEC through the classes préparatoires, the student has a one-year foundation year before entering MSc-level studies.

Also WUW is in a different position compared to the rest because of the Austrian regulations on student selection and because of the incomplete implementation of the Bologna two-tier structure (BFUG 2007, 57). In Austria, there is free access to universities. An appropriate school-leaving certificate is the only requirement for admission to the BSc-level. WUW hopes and expects that selection will be possible on the master level in 2009 when most of the programmes will start. WUW also stated that international student recruitment will become more important with the introduction of new international master's programmes. At the moment, WUW has no BSc or MSc – programmes in English.

5.1.1 Programmes offered in English

As can be seen from table 2 below, programmes offered in English are concentrated on the MSc-level, and from the point of view of a student in search of a HEI that offers programmes in English, most variety can be found in the MSc-level. LSE is in a different position in this category because of the language of the country.

	WUW	HSE	HEC	UB	NHH	HSG	LSE
BSc-level	0	3	1	1	0	0	34 Total, 2 in Management
MSc-level	0	7	4	6	1	4	138 Total, 13 in Management
% of International degree students selected of total	23%	4%	16%	9%	3%	25%	48%*

Table 2: Number of BSc- and MSc -programmes offered in English and percentage of international degree students selected of total students admitted annually

In analysing table 2 one must remember that the level of internationalization naturally cannot be measured only through the number of programmes in English. This can clearly be seen from the fact that even though HSE has, after LSE, most programmes offered in English, it has only 4% annual international student admission, compared to the double digits of HSG, HEC, and especially WUW with 23% international student admission and yet no programmes offered in English.

5.1.2 Tuition fees

Tuition fees are highly regulated by national legislation and vary significantly between the HEIs. From 0 € of HSE and NHH to 9800 € for UB MSc-programme and to 16 000 € and over 23 000 € for HEC's and LSE's MSc-programme for non-EU/EEA-students, respectively. WUW and HSG have lower fees ranging from around 600 € to 1450 €, depending on the level of study and the nationality of the student.

5.1.3 Transnational education

All HEIs are involved in transnational education, in the form of branch campuses and joint or double degrees, at least on some level of their operations. In addition to CEMS-programmes or MBAs, four HEIs (HEC, UB, LSE and HSG) reported having joint or double degree programmes in place on BSc or MSc-levels and HSE reported that they are in process of creating these.

5.2 Student recruitment strategies of selected HEIs

In the sub-research question it was asked whether the HEIs have a formulated recruitment strategy, and whether it differs between first and second cycle degrees and between domestic and international students.

It would seem, based on the answers, that not all HEIs necessarily have a specific strategy on student recruitment, even though it is admittedly an important strategic issue. Even if there is a strategy, they vary, especially in their level of detail, between the HEIs. As there is no selection on the BSc-level in WUW, a specific strategy is hard to formulate. On the MSc-level WUW is trying to attract the best national and international BSc-students. All but HEC and LSE reported that they have differences in international and national recruitment as well as in BSc and MSc –level recruitment in their student recruitment strategy. HEC stated that they rank applicants based on their performance with no quota on background. Also LSE has adopted this approach.

Background, at least when divided between national and international students, is mentioned by most. Also more specific strategies have been developed. For example, UB stated that they have diversified student recruitment according to programme level, national or international origin of the candidates and educational background. For each segment, specific messages and actions are developed and carried out. In addition to nationality and languages, HSG stated that they are paying attention to gender in BSc-selection. Also LSE has Widening Participation initiatives and financial aid to encourage applications from all backgrounds.

Student selection is considered a strategically important issue by all HEIs, also on the overall strategy –level. Some are on a general level, describing the will to recruit the best students. This can be seen from the answers:

"To recruit the best qualified and most motivated students to all programmes."

"a commitment to recruiting best students from [country] and the world, regardless of background."

"WU is positioned as the best [country] university in its fields and therefore tries to attract the best students."

"we are keen to recruit highly qualified students with diverse background."

Some overall strategies are more specific:

"[...] recruitment is a key activity for the university, then particular attention is given to market segmentation and benchmarking activities, in order to identify the students with the expected curricular profile."

"We want to recruit students who wish to make use of their talents and capacities to benefit social responsibility and not only for personal success. We offer internationally recognized degree programmes and postgraduate courses for life-long learning. In this manner, we also encourage long-lasting relations between the students and the University."

5.3 Admissions criteria, strategy and evaluation

To analyse the question of how admissions criteria reflect the strategy, student selection is first examined in light of numerical data on student admission and admission criteria. These are then compared to the above analysis of the strategies HEIs have. Also the evaluation of the admissions process is discussed below.

5.3.1 BSc-MSc admission criteria

General admissions criteria are rather similar in all HEIs. On the BSc-level, previous studies in second level education are required, and on MSc-level, the performance on the BSc-level effects admission. In addition to previous performance, various methods of testing are used. These can be in the form of specific admissions tests, interviews and/or international tests such as the GMAT or SAT. In HEC, students can be evaluated also after special prep-schools and the majority of new students is admitted based on this evaluation.

Own students are given preference in most, but not all HEIs. This preference can be due to national legislation, which gives BSc-students the right to continue to MSc-level without a separate admissions procedure (HSE), or it can be a strategic choice. Systems which reserve a specific proportion of MSc-level places for own BSc-graduates can also be used (UB). Also systems that encourage own BSc-graduates to apply to MSc-level (for example with reduced fees (LSE)), but still rank all applicants based on merit are used..

In Austria, where the two-tier structure of the Bologna process is not entirely in use (BFUG 2007, 57), decisions on BCs-MSc-level differences in recruitment strategy have not yet been made (WUW).

Despite the differences in the strategy to favour own HEI BSc-graduates, all but LSE answered that a clear majority of all BSc-graduates will continue to MSc-level at the same HEI. It must be noted that because of the Austrian situation, WUW stated that it is still difficult to say what will happen, but that they had a "tendency to answer" that most will continue to MSc-level in WUW. LSE reported that of BSc-graduates in 2005-2006, six months after graduation 45.5% were working, 30% were studying, 16.4% were working and studying.

5.3.2 Student selection

	WUW	HSE	HEC**	UB	NHH	HSG	LSE
BSc-level	6000	460	360	2500	422	1100	108
MSc-level	60	160	500	2000	454	580	487
% of International degree students	23%	4%	16%	9%	3%	25%	48%*
% of MSc intake of total	1%	26%		44%	52%	35%	82%

Table 3: Annual number of new students admitted to business school and percentage of international degree students

(Note: * LSE figures describe the department of management and the percentage of international degree students was retrieved from LSE website and thus describes the whole of LSE.

** Regarding HEC BSC-level refers to the classes préparatoires-track and MSc-level number is the total number of students admitted)

The number of new students admitted yearly is not entirely in the HEIs' own hands. For example, in Austria, free access to universities is granted if one has an appropriate school-leaving certificate, and HSG is legally limited to a maximum of 25 percent of foreign nationals. The number of students can also be limited and based on the capacity the HEI has. This was reported by UB, where the number of professors affects the number of new students. Also in WUW, the MSc-intake is affected by the capacity.

If the national legislation does not restrict the decision-making powers of HEIs, the number of new students is decided in the overall strategic planning of the HEI. This can be in the form of capacity-analysis (as in UB and WUW) or marketability of the school (as in LSE).

The size-range of these seven HEIs is rather wide. As can be expected, the numbers of admitted new students reflects this. The strategy, whether the HEI concentrated on BSc or MSc-level, is clearly varied as can be seen from the table 3. LSE is clearly focused on MSc-level, NHH and UB are balancing their admissions quite equally, and HSG and

HSE have more weight on the BSc-side. HEC and WUW are not that easily comparable, WUW because of the Austrian situation with the Bologna process and HEC because it is focused entirely on MSc-level.

What needs to be taken into consideration in looking at the weights HEIs have put on the BSc-MSc-selection is that both HSG and HSE reported that all BSc-students can automatically continue to MSc-level. Also UB stated that it has around 65% of places reserved for UB BSc's. Both LSE and NHH reported that all MSc-selections are based on merit.

The admissions period in the HEIs also varies. Three reported having admissions once a year, two having twice a year and one having a continuous admissions procedure. One reported having a continuous admission to MSc-level, but once a year to BSc-level.

When compared to the strategies presented in the previous chapter, it can be seen that they are also reflected in the admissions criteria and decisions to a large degree. When international students are discussed in the strategy, the different admission criteria, tests or quotas can be used to implement this strategy (e.g. HSE and HEC). Also, when the strategy is simply to recruit the best students based on merit, this is also showed by such facts as that all admission to MSc-level are also based on merit and own BSc-graduates are also affected by this policy (e.g. LSE and NHH).

5.3.3 Evaluation of student recruitment and post-graduate control

Four of the seven HEIs reported that they have an evaluation process examining student recruitment. Most reported a numerical evaluation based on the numbers of contacts, applicants, admitted students and also their background. In addition to the numerical control, HSE reported that they conduct a survey for all admitted new students on how they became interested in the HEI and where they turned to for additional information about applying and studies. Because of the Austrian situation, WUW reported that the first year of studies is conceived as an introductory phase and that the student selection happens in these first two semesters because of the requirements.

All HEIs reported that they follow the career paths of their graduates. This is done through external agencies (HSE) or most often by internal surveys and statistics provided by career services or similar.

5.4 Promotional efforts of HEIs

The sub-question asked if HEIs promote themselves internationally and whether promotional efforts differ between first and second cycle degrees. This was ascertained through analysing the branding strategies and promotional activities HEIs use in promoting themselves. Also the involvement of alumni in the recruitment process was examined.

5.4.1 Branding strategies

Most of the HEIs reported that they do not have differences in branding strategies between different parts of HEI. The differences in branding are in sub-brands that different departments might have, and also in the promotional efforts some departments conduct in addition to the promotional efforts of the HEI (WUW, HSG and LSE).

5.4.2 Promotion of HEIs

When asked whether the international promotion of the business school differs between BSc and MSc-levels, HSE, HEC, NHH and HSG reported that it does. This was reportedly mainly because the MSc-level has a much broader international offering or lack of BSc-level promotion. Both HSE and HEC answered that there is very little or no promotion on the BSc-level, respectively. UB and LSE stated that there is no difference and WUW does not have experience yet.

When it comes to differentiating international promotion based on target audience culture, the analysed HEIs had differences. HSE, HEC and LSE stated that the information is essentially the same. HSE stated that differentiation will be taken into account in the future and LSE said that the information is essentially the same, but "the School is sensitive to different cultures and the questions/problems that they may have."

On the other side UB, NHH and HSG reported that cultural differences are taken into consideration:

"Yes. As far as possible, we try to, adapt timing, language and presentation opportunities to the cultural and geographical diversity of the students potentially interested to study at [HEI]."

"We tailor our promotion to the target group."

"Yes, it depends heavely on culture. What is valuable to communicate in Europe might be totally wrong in China."

Alumni are involved in the student recruitment effort and promotion in five out of the seven HEIs. Only WUW and HSG reported that alumni are not utilized in student recruitment. Typical ways to use the alumni are information sessions about the HEI, career opportunities the HEI provides and other promotional activities. Alumni are also used in interviews of the applicants.

5.4.3 Analysis of selected HEIs' websites

The importance of the internet as a source of information has increased and, as was stated in the literature review, over half of international students used the internet to choose their place of study (Gomes & Murphy, 2003). When one looks at the websites of the selected HEIs, one can see a range of similarities and differences in their communication.

Some, such as LSE, have very rich and thorough information on pages directed towards prospective students, while others have opted to present only the essential information on application procedures on these pages, with information about courses, the HEI etc. found elsewhere on the website. Whether one gives great importance to this is a matter of taste, because if an applicant is serious about applying to an HEI, he/she most likely will go around the website and see in more detail the information and offerings the HEI has put there. On the other hand, easy-to-find and information-rich prospectus-pages can attract the prospective student to stay on the website and find out more about the HEI.

LSE's website has, in their section directed towards potential applicants, a "ten reasons to study in LSE"-section that lists LSE's position as the world's leading institution after Harvard, dedicated to social science, its global reputation as alma mater of prominent individuals, the academic reputation of their staff and eminent outside speakers, the wide variety of their offerings, financial support offered to students, diversity of their staff and students, LSE's location in central London and careers services they provide. In addition to this list, the applicant-website also contains descriptions of studies, the content and themes, courses, quality, graduate career destinations, student profile etc. LSE also has country/regional-specific information to potential applicants, describing, for example, the entrance requirements for applicants from a specific country's educational system and the possibility to e-mail an LSE-student from that region.

Other HEIs in this study have similar elements on their websites, although not necessarily all. Description of the rich and diverse international environment, programme structure and offerings and quality of these, career opportunities and admissions process and requirements are common on all websites. Also the satisfaction of graduates can be presented on websites; for example, HSG presents the satisfaction rates of both BSc and MSc –graduates, which shows that 92 and 89 percent, respectively, of graduates would again choose HSG in retrospect.

Reputation, as was stressed by e.g. Aharoni (2000), has a huge significance for professional service providers. HE has become increasingly competitive and in HE, as in other service markets, the reputation and image of quality has a great meaning. Potential students see as signs of quality or reputation the history, past performance, number of applicants, existence of famous clients etc. (Aharoni 2000, 136; Vrontis et al. 2007, 987). A look onto the websites of the selected HEIs confirms Aharoni's findings, as HEIs use all the elements listed by Aharoni in their promotion.

In addition to those mentioned by Aharoni (2000), HEIs use also internationally acknowledged quality-assurance institutions such as accreditation agencies and rankings to signal the high level of their offerings. The home-pages of the selected HEIs have the symbols of accreditations (for example AACSB, AMBA, EQUIS) presented. Only UB and LSE do not have any such symbols on their opening page. UB, however, has accreditations mentioned on the website of SDA Bocconi School of Management, which is a part of UB.

6 DISCUSSION AND CONCLUSIONS

An extensive literature review has been presented above, together with a theoretical framework to enable us to put in perspective and to see the relationships with and between the myriad of environmental issues and their effects on HEIs' marketing strategies and international student recruitment.

As could be expected, there are similarities and many differences in the strategies and their implementation between HEIs. Some differences can be contributed to HEIs' own strategic choices, but many come from the environment in which they operate.

Below conclusions are made concerning the first research question, based on the literature review, about the environment and environmental trends that affect HEIs. After this, the second question on strategies, their implementation and the effect of environment is discussed. Finally, the initial research questions are discussed together with comments on the propositions that were made. Also, reflection on the contributions of this study and suggestions for further research are presented.

6.1 Environmental trends affecting HE and HEIs

From the literature review, it can be stated that there are a number of effects that are changing the environment in which European HEIs operate. There is an increased emphasis placed on the concept of knowledge economy and global competition between regions. In 2000, the EU launched an ambitious Lisbon strategy, which aims at making Europe "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion" (European Council 2000). This strategy and the Education and Training 2010 –work programme that followed have, if not started, at least concretized and formalized the issues and pressures European HEIs face.

The European Commission has not only touched on education, but also on research. In 2000 (European Commission 2000, 4) the Commission published a communication titled "Towards a European research area". In its analysis of the contemporary situation, the Commission stated that the situation concerning research is worrying and without corrective action, it could develop into a serious threat to growth and competitiveness. The Commission analysed that the average research effort in the EU was only 1,8% of Europe's GDP against 2,8% in the US and 2,9% in Japan, and that this gap was increasing. The Commission also pointed that the employment researchers accounted for only 2,5 in every thousand of the industrial workforce in Europe, compared to 6,7‰ in the United States and 6‰ in Japan, that the number of degree-level European students in the United States was twice as high as the number of American students at that level in Europe, and also that 50% of Europeans studying for a doctorate in the United States stay there for long periods, sometimes forever. As HE and especially university education is based on research, this is bound to have an effect on the level of education in Europe and also on the image of EHEA as a place to study and on the image of individual HEIs.

Another process that affects European HEIs is the Bologna process, which, like the Lisbon strategy, aims at creating a European higher education area (EHEA) with comparable and transparent degrees, increased mobility of students, staff and also graduates, and promoting lifelong learning. The Bologna process has had an effect on degree structures and also to the philosophy of education through promotion of a three-tier degree structure and learning outcomes -based curriculum design.

There is growing competition based on knowledge and thus there are increasing pressures to make HEIs more effective and relevant to society. This means increased pressure on management in HEIs. Bringing efficiency to HEIs has mostly happened through marketization of HE and introduction of new management themes such as marketing and competition into the world academia. These changes are by no means results of only EU actions, as there is growing competition for the best brains also between HEIs.

Internationalization and globalization of HE have accelerated. Even though HE has arguably been an international undertaking from the very beginning, mobility of students and faculty has increased in the past decades. One of the key challenges of realizing the aims of economic growth in knowledge-based economy and increased social cohesion is providing equal access to HE to all people regardless of their socioeconomic or any other background. Linked to this is the ongoing major change in demographics in Europe as the population is getting older. This and the effects of knowledge-based economy eventually present new challenges to HEIs as they have to answer the demands for education from an increasingly diverse population of adult learners seeking to complement and enhance their capabilities.

These pressures from the environment have been realized in part through legislative or regulatory means by governments, but softer means, such as changing weights of different elements in financing-models of HEIs, have also been used. As HEIs are trying to adapt to these demands from the environment, they have adopted the new degree structures and other elements that have been introduced through legislation, and have also increasingly started adopting market-oriented principles and managerialism. The reforms have been introduced in a rapid pace and have caused criticism within HEIs, not least because of the lack of management abilities of the traditional academic leaders.

Marketization and increased competition highlights the need for strategic thinking and focusing on core areas within HEIs. Creating a clear vision and strategy for HEIs is required by the emphasis on excellence and quality by the external environment. The challenge of balancing between choosing a market segment and focus of HEI and free research, which is an inherent purpose of university as a seeker of new knowledge, is forcefully stressed by the more traditional academics and many student organisations. The strategic choices a HEI makes have a significant impact on its marketing efforts and institutional image as well as its academic content and offerings.

Degrees of HEIs, at least on the level of structure and qualifications, are to some extent regulated by national legislation and Europe-wide cooperation. The Bologna process defines the division of first and second cycle degrees as well as the student workload associated with each, and the qualifications frameworks of the EU (EQF) and EHEA define the levels of knowledge, skills and competencies these cycles are to produce. However, as the Tuning project analysis of business education showed, the content of degrees is still very much a HEI's decision. Despite the increased attention paid by the environment to quality assurance, the quality of HEIs' offerings is still very much dependent on a HEI's culture and is as such in the HEIs' own hands. As long as HEIs are able to pass an accreditation or audit from one of the members of the forthcoming European Register of Quality Assurance Agencies, it will be able to operate and choose its direction fairly freely.

Pricing HEIs' offerings is not only the HEIs' decision. Tuition fees are regulated by national legislation and in some countries they are forbidden altogether. Fees are a topic of intense debate. On one hand rests the goal of providing equitable HE to all regardless of background; on the other hand, it can be argued that the main beneficiary of education - the student - should bear at least part of the burden of financing HE. These voices increase especially as HE has in recent years experienced a dramatic increase in student numbers and this has not been followed by proportional increase in public funding. In addition to financing HE, tuition fees are seen partly as a motivational element for the students to complete their studies faster and partly as a guide of recourse allocation that directs HEIs' offerings to the fields that markets, or the students, see as relevant.

The ways of offering HE are many, as the increase of transnational education has brought about a whole array of different degree programmes and offerings, ranging from the traditional HEI to the profit-seeking online university. The ways of promoting HE and HEIs have also experienced changes due to internationalization, internet and increased national promotion campaigns.

Marketing control or audit mechanisms, or quality assurance and evaluation, have not on the HEI-level experienced very dramatic changes. Reflection about how to select the best suited students to a HEI, quality control of content and analysis of student employment, and satisfaction after graduation have been around for quite some time.

Rankings, however, even though not that new of an invention, have become more significant in determining the quality, or at least the image of quality, of HEIs as they have become global and the public interest towards listings like that by Shanghai Jiao Tong University or by Times Higher Education Supplement has grown (Williams & Van Dyke 2007, 819-820).

When looking specifically at the industry, the environment can be looked through Porters five forces (1979, 137): threat of new entrants, bargaining power of customers, bargaining power of suppliers, threat of substitute products or services, and jockeying among current contestants.

Getting a new entrant to national market is a long process, as the entry barriers in HE are relatively high due to the nature of the industry. It takes a long time to establish a strong reputation and HEIs are in many cases very much regulated by law. However, as HE has become more international and flows of international students are getting bigger (OECD 2006, 283), individual HEIs must take into account not only domestic competitors, but also foreign HEIs.

Customers, or potential new students, have a significant power as they can choose a HEI relatively freely and from an ever more competitive international market. As was argued by Vrontis et al. (2007, 987), customer power is increasing as the competitive environment, especially in the developed countries, is changing and becoming more complex. Whether the students choose mainly from domestic HEIs or not depends on the propensity of students to move across borders. Although the flow of international degree students has increased, the majority of students still complete their degree in their home country.

As HEIs are the suppliers of education, the consideration is on recruitment and retention of high quality staff (e.g. Aharoni 2000, 130). This is partly dependent on HEIs' own human resource management -capabilities and reputation, and partly on the national and international HE-industry competition.

For HEIs, the threat of substitute products is not that big, at least at the moment. For-profit HEIs and distance learning institutions could be considered as substitutions, but just as well they could arguably be considered as normal competitors. As long as the discussion is about educational services leading to an officially recognized degree, the threat of substitution is relatively small.

6.2 Strategies, implementation and effect of outside influences

The differences in international marketing and student recruitment are many when one compares HEIs across countries, even in Europe. This was clearly shown by the analysis of the answers of the seven HEIs above. It is not by any means that all HEIs differ in all areas that were looked upon as in most questions the answers were grouped. What was noticeable was that there was no clear correlation between the issues that were studied; the groupings did not follow a clear pattern. This can mostly be contributed to the differences in the national environment in which HEIs operate - to the elements that were in the theoretical framework categorized as outside HEIs' influence. The similarities are mostly on a more general level: for example, all HEIs reported in their strategies the desire to recruit the best students to both BSc and MSc-levels. The many differences are, as could be intuitively expected, in the more detailed level.

The mentioned differences are partly due to differences in HEIs' strategies, but as discussed before, they are also due to lingual and cultural environment and to a great deal also to differences in national legislation, despite the Bologna and Lisbon processes, as was also noted by Bourke (2000, 120). In the case of student selection, this can be seen for example in the case of HSE and Finland, where legislation gives all BSc-students the right to continue directly to MSc-level at same HEI. WUW has to act according to Austrian legislation controlling the admissions of BSc-students and HSG with legislation controlling the percentage of non-Swiss students.

The student selection criteria to BSc-level are more or less based on the same principles in all but WUW and HEC. In the case of WUW, the difference is explained by the Austrian environment, where the legislation differs from the others in this study. In the case of HEC, the difference is due to the different nature of the HEI as a grande école focusing on MSc-level. As suggested by Sajovaara et al. (2002, 118) the goal and also the basis of evaluation is recruitment of students who not only perform well in their academic endeavours, but who are also committed to their studies and stay and finish their degree in the HEI. On the MSc-level, the differences are more pronounced. These differences are partly due to national legislation (HSE), partly because of the HE-system of the country (WUW) and partly due to strategic choices.

Admissions periods are different between the HEIs, but reasons for this can be many, such as the culture or norm in a country or timing of secondary level graduations. Depending on the HEI, the number of admitted students and the way this number is decided is very different. Partly this is a question of recourse allocation, and as such a strategic choice, but this can also be affected by the national legislation to a great extent (e.g. WUW on BSc-level and HSG regarding international students).

There was a difference in the amount of tuition fees the selected HEIs had. This is to a great extent stemming from legislation, but not entirely. LSE and UB both stated that their fees are higher than the national average, so the level of tuition fee is a strategic choice at least to those HEIs that can price their offering more freely without legal limits.

Culture and language of a country were stressed by Porter (1990, cited in Bourke 2000, 123) as sources of competitive advantage. The attractiveness of HEIs in the eyes of potential international applicants is not determined only by the efforts of HEIs themselves, but is to a great extent affected by the country, culture and language. The importance of national image was pointed out in the literature. For example, Bourke (2000, 124-125) and Hemsley-Brown & Goonawardana (2007, 942) found that intending foreign students initially choose the host country and only then select the host institution.

Even if English is regarded as the lingua franca of science and many (including this thesis) use as one measure of level of internationalization of HEI the number of programmes offered in English, it is vital to keep in mind that this is not the whole picture. As one looks at the percentages of international (or non-national) degree students in HEC, HSG and WUW and the number of programmes offered in English, one can see that although the number of in English programmes is relatively small, the percentage of international degree students is high. WUW reports ca. 23% of international students admitted yearly with no programmes offered in English, while HSE has 10 programmes in English and only four percent annual intake of international degree students.

However, LSE has an advantage in attracting international students that arguably comes not only from the quality of education it provides, but also from the language and other national characteristics. As one looks at the two Nordic HEIs, the percentage of international degree students is low compared to the other HEIs in this study. This can be partly contributed to the lack of international marketing efforts on HSEs' part and to the relatively low offering of programmes in English on NHH's part. However, the situation of HSE and NHH can at least partly be contributed to the national, cultural and lingual characteristics of the countries. This analysis is in line with Hemsley-Brown & Goonawardana's (2007) argumentation about the importance of efforts (both promotional and others) on the national level and branding of the national HE-system. This was also forcefully promoted in a report published by EVA, the Finnish Business and Policy Forum, that analysed the competitiveness of Finland as a country competing in a knowledge-based economy (Raunio 2005).

As was suggested by Hayes (2007, 929-930), branding is mostly done under one brand name in the studied HEIs, although some variation exists. Even though brand harmonization was questioned by O'Mahony et al. (2001, cited in Gomez & Murphy 2003, 117-118) in arguing that students base their choices on the reputation and availability of a particular degree rather than the university's overall reputation, the findings of this study suggests that at least most of the selected HEIs consider it more important to present a strong, clear and unified image of themselves.

As a body of literature testifies, perception and reputation are among the most important elements for students in selecting their place of study (e.g. Vrontis et al. 2007, 987; Aharoni 2000, 139; Gavin in Kotler & Fox 1995 cited in Ivy 2001, 276) and it can be argued that a HEI's actual quality is often less important than that HEI's prestige, or reputation (Gavin in Kotler & Fox 1995 cited in Ivy 2001, 276; Aharoni 2000, 128). As reputation is not an objective truth of quality, but a perception of it, also the HEIs analysed in this study use in their marketing efforts the recommendations of past students and opinion leaders, existence of famous alumni, age, reputable staff and past performance (e.g. accreditations), as suggested by e.g. Aharoni (2000, 131-136), Vrontis et al. (2007, 987) and Voss et al. (2007, 950).

Most of the selected HEIs took or were planning to take into consideration cultural differences in their international marketing, as suggested by Kale (1991). Some provide essentially the same information to all audiences (LSE, HEC) whereas some differentiate their message to the target audience (UB, NSS, HSG). Although HSE is not differentiating at the moment, it says that this is planned in the future. WUW as of now has no experience on the matter. This sets LSE and HEC apart from the rest. Reasons for this could be many, but one must note that HEC is a Grand école, recruiting mostly through French prep-schools, and LSE is the only HEI in an English-speaking country. With this in mind, one could argue that there is a need for extra effort from the non-English speaking countries to promote themselves internationally.

Differences could also be detected in HEIs' use of internet in their promotion. Some of the selected HEIs had very rich websites, but not all. This supports the findings of Gomez & Murphy (2003, 117-121), that although the internet has become an increasingly important medium for students to find information about their future HEI, institutions still have much to do in order to better utilize this tool.

6.3 Propositions

The propositions that were formulated based on the literature review, concerning specifically business education, can also now be discussed.

Proposition 1:

Because the characteristics of first cycle business degrees are more or less the same across Europe, the HEIs' recruitment goals and strategies of international degree *students are also similar and the possible differences are due to national differences in HE-systems and –policies.*

It can be argued that the first proposition holds true in light of the analysis of the seven HEIs in this study. HEC is the exception in this, but this is because it does not have a similar BSc-programme compared to the rest. The differences HEIs have, as discussed above, could be contributed to the national differences.

Proposition 2:

Because there are different orientations in the second cycle business degrees, the HEIs' recruitment goals and strategies of international degree students also differ between individual HEIs.

The second proposition is more difficult to argue as valid. There are differences in the strategies, as has been showed, but whether these are because of differences in orientations of second cycle degrees or national differences cannot be said, at least with the data this study has gathered.

If one would assume that the seven HEIs in this study follow the generalizations of the Tuning-report (2007) in curriculum design, both propositions could be argued as valid. However, as this study did not look in more detail into the curriculum design of the HEIs, it must be said that both propositions need more detailed analysis if proper conclusions are to be drawn on them. As it is, the two propositions should be viewed more as strategic and managerial issues to be considered in HEIs than as questions this study aims at answering.

6.4 Contributions and suggestions for further research

Although the above discussion did not provide any concrete answers to questions of how to conduct international marketing of HEIs or how to adapt to different national environments, it highlighted the issues that affect operations of HEIs, which arguably are working in an increasingly international and global environment. The conceptualization of the theoretical framework and questions raised in this study hopefully help both practitioners and academics in addressing the issues that need to be taken into account when designing, implementing and analysing international marketing efforts of HEIs. The empirical analysis hopefully provides a picture and concretizes the findings of the literature review and the different conditions and environments HEI faces.

This study started off with a rather wide perspective on the subject of international marketing of HE. This broad scope provided, as said, a useful compilation of issues that are to be taken into consideration concerning international marketing of HE. However, as was shown by the analysis of the seven HEIs, a more detailed look into the profiles of the international degree students in the HEIs would have been useful in order to analyse more closely the efforts and impact of marketing by the HEIs. Now this study did not differentiate international degree students on the basis of their more specific nationality or language, but merely divided the student groups into national and international students. This causes ambiguity in the analysis of the percentages of international degree students between HEIs, as one could assume that a significant number of international degree students in both WUW as well as HSG are from the neighbouring countries. Whether this has significance can of course be debated, but in many cases when the internationalization of HE is discussed, perhaps a larger cultural and lingual distance is meant and this distinction was now left outside this study.

Also as suggestions for further research, a wider set of business-oriented HEIs, or HEIs in general, could be taken in. This would highlight in more detail differences that are due to HEIs' strategic choices and differences that are due to national environments. With only one HEI from each country, conclusions about the dependence between HEIs' actions and national environment are not very reliable. They could be accurate, but a more comprehensive study, together with personal interviews, would be needed to verify this and to bring out dependencies that are not obvious to a non-native scholar. Also, to actually test the propositions, a closer look at the curriculum design of the HEIs would be necessary.

Although this study still left many questions unanswered and provided additional questions to the ones it had before, the value of this study is in that it points out, both to practitioners and academics, the various elements that are affecting higher education, higher education institutions and their marketing efforts. There is, as said, much ground to be covered in order to provide a complete picture, but this study provides a good starting point for further analysis of the increasingly important field for higher education institutions.

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Appendixes

Appendix 1: Questionnaire to the academic members of CEMS

Dear Sir/Madam,
I am writing to you because I am doing my master's thesis in Helsinki School of Economics (HSE) on international marketing of higher education and recruitment of international degree students. The focus is especially on top business oriented higher education institutions in Europe. As a sample I have chosen the members of CEMS community, because the CEMS institutions are arguably the top business schools in their respective countries.

The aim is to study the similarities and differences of higher education institutions' international student recruitment to BSc (1st cycle) and MSc (2nd cycle) -programs (not e.g. MBA-programs) and try to understand the reasons for these.

Because my sample is the very limited number of CEMS-schools, I sincerely hope that you can give a few moments of your time to answer the attached questionnaire. If you are not the best person in your institution to answer this questionnaire, I hope you can pass this along in your institution to the person that is.

As my study has a deadline, I would appreciate if you could send me your answers by **Friday, the February 8th**.

If you do not wish to participate in this study, I would appreciate that you notify me of this as well.

I will naturally, once I have completed the study, send you the final report and my findings for your use.

Members of CEMS were chosen as a sample because as CEMS accepts only one member per country, all CEMS institutions are among the best in their field in their respective countries, and thus arguably are in as much a similar national position as institutions can be in international comparison. Also as CEMS members are among the best institutions, their strategies have been successful and thus this analysis hopefully gives a good view of different good practices institutions can take. The European environment has become more comparable due to processes like the Bologna process, but national environments still vary to a great extent. Since the national position of the selected institutions is very much alike, it could be argued, that the possible differences are due to differences in national environments and institutions' strategies.
For more information, please feel free to contact me at any time. My thesis is supervised by vice-rector, Professor Hannu Seristö of HSE. His information can be found here: http://www.hse.fi/EN/HKI/S/Hannu_Seristo/

Respectfully,
Juuso Leivonen

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1. When was your higher education institution (HEI) / business school founded? (Year, both for HEI and business school, if different):

Your answer:

2. Is the HEI multidisciplinary or single-discipline business HEI (does your HEI have other faculties not related to business e.g. engineering, social sciences etc.)?

   If multidisciplinary, what other disciplines are offered?

Your answer:

3. Is the business school engaged in transnational education in BSc (1st cycle) or MSc (2nd cycle) level (franchising, joint/double-degrees, branch campus etc)?

Your answer: (Yes/No) If yes, please specify:

4. Are there differences in branding strategies (separate brands etc.) between different parts of HEI?

Your answer: (Yes/No) If yes, please specify:

5. Tuition fee (only BSc/MSc -degree students, not e.g. MBA-students)

   Amount for own country or EU/EEA nationals:

   Amount for 3rd country nationals (non EU/EEA-students):

How do these amounts compare to national average? Please describe in brief):

6. What is the total annual budget?
   HEI (€):

   Business school (€):

7. What is the annual budget for marketing/promotion in the business school (€):

8. Number of programs that are possible to complete in English
   BSc –level:

   MSc –level:

9. Number of students in business school:

10. Number of students admitted annually to business school
    BSc –level:

    MSc –level:

International degree students:

11. On what basis is the number of admitted students decided? (Please describe in brief):

12. Application period (Please choose one):
    - Continuous around the year
    - Once a year
    - Other (what)

Your answer (please choose one):

13. Is there a formal strategy for student recruitment in business school or HEI? (Yes/No): If yes, which of the following does it contain? (please describe in brief):
    - BSc-level?
    - MSc-level?
    - international degree students?
    - national students?
    - selection criteria?
    - student background (educational, socioeconomic, ethnic, gender etc.)?
    - Other:

Your answer:

14. Is student recruitment mentioned in the overall strategy of HEI/business school?

Your answer (Yes/No, if yes, please describe in brief (e.g. differences in international/domestic students, BSc/MSc etc.)):

15. Are there differences in selection criteria for BSc- and MSc-programs?

Your answer (Yes/No, if yes, please describe in brief):

16. Are the BSc-graduates from own HEI given preference in MSc selection?

Your answer (Yes/No, if yes, please describe in brief):

17. What do you expect your students to do after BSc -degree? (Please choose one):
    1. Most will continue to MSc –level at our HEI
    2. Most will continue to MSc –level at some other HEI
    3. Most will enter the labour market
    4. Difficult to say at this stage

Your answer (please choose one):

18. Does international promotion of business school differ between BSc and MSc –levels?

Your answer (Yes/No, if yes, please describe in brief):

19. Is international promotion differentiated depending on target audience culture?

Your answer (Yes/No, if yes, please describe in brief):

20. Are alumni utilized in student recruitment (e.g. alumni participating in recruitment efforts, alumni services promoted especially in marketing etc.)?

Your answer (Yes/No, if yes, please describe in brief):

21. Is there a procedure for evaluating the student recruitment?

Your answer (Yes/No, if yes, please describe in brief):

22. Are the employment or career paths of graduates followed or tracked in any way?

Your answer (Yes/No, if yes, please describe in brief):

23. Any additional comments that you may have regarding international student recruitment of your school or in general or regarding this questionnaire or study: